



Daily Report

Latin America

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Cuba

Castro Speech at Pioneer Congress Reported

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[Speech by President Fidel Castro at the First Pioneers Congress at the Havana Convention Center on 1 November—recorded]

[Text] Dear Pioneers and fortunate guests:

The closing ceremony will not be until tomorrow. After all the emotional experiences that we have gone through, I do not want to bore you by talking too much during this ceremony. [audience shouts: "No!"]

I was remembering that afternoon of the Pioneer assembly, when the idea came up to organize for the next occasion a Pioneers congress. I believe that was around 1986, or so I was told. It was five years ago when we first talked about organizing a congress for the Pioneers, which was the only organization that had not had a congress. We asked ourselves: Why not? Today we congratulate ourselves for that idea and for having the opportunity and privilege of seeing this Pioneers congress taking place. It began some months ago with the election of the first delegates. Comrade Leidis [Gonzalez Salazar, chief delegate to congress] was telling me, when I asked her about it, that this was the first congress in the world; this is the first Pioneers congress in the world. I believe that this demonstrates the confidence the revolution has in the masses and the people, and the unlimited confidence the revolution has in young people, adolescents, and children.

It is difficult to call you children. You have shown here that you surpass the concept of children. Its true that perhaps no Pioneer from the first grade spoke, but I am sure one could have done so. I know that this is, of course, a selection of the most outstanding students from the three levels you have here. There are three, right? I am sure that it is not easy to organize a congress of three levels. Nevertheless, it was done. Truly, you have represented here the children and adolescents, and we could probably include the youth, of our country. You must not think of yourselves as inferior to any other organization, because other organizations have higher levels of education. I believe that this level is possibly one of the most important of all. Here at this level, with the youngest people, very serious and profound things have been said.

Neither I nor anyone else participated in each of the work commissions. The congress would not have been possible without these work commissions. We know that many things were done in the work commissions, many issues and ideas were discussed, and conclusions arrived at. We have just had the party congress, and this took place over more than a year, from the moment the basic document was issued the assemblies began discussing the problems in the work place or party cells, then in the

provincial assemblies, the meetings of provincial delegates, and the meetings of the organizing committee. In each of these meetings there was more and more progress until finally a set of issues had been worked out in the most democratic way possible; that is, by discussing them at length and with all the necessary freedom and breadth.

The same has happened here at the Pioneers congress. We do not have the opportunity to see much television because of our work schedules and programs that we have. But there was a Pioneer I saw by chance on a television program—which I think the Pioneers themselves had organized—who said that the Pioneers congress was going to be as good as or better than the party congress. That is what she said. [applause] I would say that it is not possible to make a comparison because they are two very different events.

There is no doubt that the party congress was a great congress. I am convinced that it was the best we have ever had. Not because of the three or four days of discussions, but because of the whole lengthy period during which the problems were discussed and analyzed; because of the conclusions that were drawn; because of the way the discussions were held; because of the seriousness and the substance. But we can say that the Pioneers congress—even though it is the first and even if we had had other congresses before—has been the best Pioneers congress that we could have ever had. [applause]

You should take into account, above all, that it is the first one. I am sure that the visitors and all those who have had the privilege of participating in this congress with you today have been impressed. Someone said something that is very true, that only under socialism could there have been a Pioneers congress. Only under socialism do children and adolescents have the opportunities our children and adolescents have. This cannot even be dreamed about in any other country, where there are so many different kinds of schools, from schools for millionaires to schools for beggars. Of course, most beggars have no schools, and most of the children of the poorest workers and peasants have no schools. Fifty percent do not reach sixth grade.

We may not have schools for millionaires, but we have many schools that the children of millionaires would like to have in their countries. [applause] They would like to have our special schools, even though the program has unfortunately not yet been finished because of the economic difficulties we have had in recent years. They would like to have our vocational schools, those for the exact sciences, technical schools for diverse specialties, sports schools, cultural schools, secondary schools for urban students in rural areas, preuniversity schools in rural areas and in the cities, dozens of university departments, and our young people's computer clubs, which now exist in almost all the municipalities in the country. This is where elementary school students and university graduates who were not able to learn this when they were

at the university learn to use computers. Our work-study schools are unique in the world. No other country has them. If anyone wonders or is amazed that our young people and students are unique in the world, part of the reason is that we have institutions that are unique in the world, like some of those I have mentioned. The revolution has combined work and study since its beginning. We do not realize how grateful we need to be for this.

I am sure that many of the speeches given here, by you the youngest people, who represent that mass of almost a million—or at least much more than half a million—secondary-school students ...[changes thought] Perhaps the minister of education knows how many there are at the secondary-school level. They are represented here, and they are already familiar with working in agriculture as part of school, or many other activities. The representatives of our children would not have been able to say too much if the concept of work had not been taught at the elementary-school level wherever it has been possible. This is why no one gets scared when assigned any task, any job, including cleaning the schools as Scouts on defense days. You complained about this today, about having cleaning the schools associated with the defense days. It definitely does not have much to do with decency ...[corrects himself] It does not have much to do with defense, but it has a lot to do with decency. A clean school is a decent school.

I think that our young people, our adolescents, and our Pioneers express the accomplishments of the revolution; in the first place, the social miracle that all children have a school, all children are enrolled. It always appears in the statistics as 99.9 or 99.8 percent. This is why we have such a high promotion rate, and especially why we have such a high rate of retention in our schools, why such a large number of students graduate every year at the different levels, even during these difficult times, even in such difficult times, when so many schools in the world have been closed.

In our country, not a single school has been closed. [applause] In our country, not a single teacher or professor has been left without a job. On the contrary; every year in our country there are more teachers and more professors. Every year there are more schools. Every year there are more educational institutions of one kind or another, because I consider the young people's computer clubs, for example, excellent educational institutions. I will not even mention sports activities, which are increasing year by year, or recreational activities.

I must also mention the interest the representatives of the art schools, the representatives of the culture sector, have shown and the way you have expressed yourselves. Some demand sports, that they be given more sports. Others demand cultural activities, more cultural activities. These representatives say there are not enough arts teachers. The Pioneers reflect all of the revolution's accomplishments, but this is also reflected in your feelings, your patriotic and revolutionary spirit. [applause]

Where in the world and among what children and adolescents in the world could one have heard what one has heard here today? It is good to ask this, seriously, and not only after some of those so-called socialist countries disappeared. Because in those so-called socialist countries, there were no young people like Cuban young people. [applause] There was no spirit like this spirit of our Pioneers. [applause] We saw Pioneers, many Pioneers, wonderful children, and healthy children in many places in socialist countries. We saw noble and good children, as there are everywhere, even in capitalist societies, apart from that sometimes very high percentage who have to earn their living cleaning windshields in the streets, or working very hard as street performers, or begging for money, or searching for food in trash dumps.

That is, there is always an innate nobility in young people, adolescents, and children. This is found everywhere. We also find this in the former socialist countries. But I can assure you that what you carry inside is the most important thing. It is much more important than the clothes you wear. It is much more important than the colors and beauty of what you wear. It is much more important. [applause] You are certainly wearing colors and beauty on the outside here. [applause] But the colors and beauty you carry inside. [applause] The ideas you carry inside, the feelings you carry inside are much more important. [applause] This is what you have expressed today through the words of dozens and dozens of delegates, who are one-tenth of those who wanted to speak today. How many wonders have we missed! How many beautiful things! How many interesting ideas! If only each of the hundreds of you who wanted to speak had been able to speak!

But there is something that we have probably not even thought about: the fact of speaking. This is extraordinary. In the world, children do not speak, nor do they have anywhere to speak, except at home, or in a park. [applause] They do not speak at an assembly. Where is there an assembly of children and adolescents? They do not speak at a congress. Where is there a congress of Pioneers? At our congress, they speak, and they not only speak with all the freedom that could be imagined... [changes thought] I would like to see what those who talk about democracy—in enormous quotation marks—say about this. [applause] Here they not only speak with all the freedom that could be imagined, I repeat, but everyone speaks. [applause]

Those of us who believe in human beings and human society and their ability to improve themselves, those of us who believe in the virtue and kindness of human beings, those of us who do not let our souls be poisoned by exceptions or bad examples or petty things, those of us who do not confuse gold with mud must really feel encouraged by so much gold. We are using the words of [name indistinct], who spoke about gold a few minutes ago when he said we had young people of gold, [applause] and Pioneers of gold. [applause] We feel

encouraged because this is the revolution's accomplishment. [applause] We feel encouraged because we see the feelings of a revolutionary people. We feel encouraged because we see a people capable of rising to the extraordinary historical time we are living in. [applause]

We have seen this not only in our congress. We have seen this through you, and this gives us strength, this encourages us, this gives us confidence, and this gives us assurance in the future. I discussed with my colleague during our schooldays what historical time he would have preferred to live in. He had no doubts, as I have no doubts, that this time is the most glorious time in the entire history of our nation, this time. [applause] It has fallen to you to live at this time, this difficult time, with the current difficulties, difficulties that will surely become greater. They will inevitably become greater before we begin to move upwards again on the difficult course of our current and future problems. [applause]

Everything has been talked about here. It hurt, it also hurt us a lot, when the little comrade was explaining about her discussion with her grandmother, and her argument with her because something was lacking, something had not been delivered. Imagine a little girl, in seventh or eighth grade, discussing the problems in the line, almost as if the revolution was to blame for the shortage of chicken. [applause] Almost as if the revolution was to blame because it had the chicken stored away in a freezer and did not want to distribute it. Almost as if the most powerful empire on earth was not harassing us and putting a stronger and stronger embargo on us. Almost as if the socialist world, on which the pillars of our social and economic development were based, had not collapsed in a matter of months. Almost as if we were a very highly developed country. Almost as if we had oceans of oil. Almost as if our underdevelopment did not exist. Almost as if the exploitation of the world did not exist. Almost as if today we did not have practically unipolar domination by the most powerful, selfish, and exploiting power of history. Almost as if the world was not being plundered every day. Almost as if history did not exist.

So the little girl had to argue with the woman who did not understand. I am not criticizing the woman. I am simply saying that the woman does not understand and cannot understand, however many times it is explained and repeated again and again. We would say, finally, that it is almost as if the revolution had not done everything that could humanly be done, and even more than could humanly be done, so that no one would lack for anything. [applause] If, unfortunately, we lack things—and we lack many things—it is because the revolution has done everything it is humanly possible to imagine doing so that everyone would have something. [applause] at any hour of the day, every day, every week, every month, and not only the chicken that was delayed, but the medicine that saves a life or alleviates pain, or the book that educates, or the job that prevents someone from

becoming a beggar, or an old person from being abandoned, or a young person forced to become a prostitute to live. [applause]

All the justice the revolution has brought, everything the revolution has done for the country, explains why in difficult times, those who finally became accustomed, as long as it was possible, to having a maximum of things cannot understand when we begin to have shortages. But what the little girl said is very important. She talked about politics. She talked about the ideological battle. A few of you spoke about the ideological struggle, and the ideological struggle is this. When someone does not have the necessary figures or information ...[changes thought] We have tried to give the people the most information possible, and a great amount of information was given at the congress that had never been given in any country about the difficulties we have had to go through and are going through and will have to go through, because of the collapse of socialism. The amount of information that has been given to the people could not possibly be greater, in exact numbers with decimal points and all.

We must discuss, and discuss with arguments, with reasons, but when there are no arguments because one does not know ...[rephrases] when there is no information because it is not known, one must argue by saying: You may believe that, but I believe in the revolution. [applause] You may lack confidence, but I have confidence in the revolution. [applause] You may lack faith, but I have faith. You may lack courage, but I have courage. [applause] You may think our people are not worth anything, but I think our people are today one of the best peoples in the world. [applause, chanting] You may think the revolution will not be able to solve our problems, but the revolution has not only solved an infinite number of problems, but the Cuban revolution is now writing one of the most glorious pages in the history of the world. [applause]

Because when so many have yielded, when so many have surrendered, when so many have sold out, when so many have been intimidated, we are not yielding, nor surrendering, nor selling out, nor being intimidated. [applause] Because there is no coward's blood in our veins. Because there is no traitor's blood in our veins. [applause] Because there is no weakling's blood in our veins. [applause] Because in our veins there is no blood of those who sell out their country, [applause] nor of those who sell out ideas. [applause] Because in our veins there is no blood of men and women who desert their cause, and certainly not when their cause is the most just and beautiful that has ever existed. [applause, chanting]

Marti said that men who did not have faith in their nation were like premature babies. But the revolution is a great midwife. The revolution is great medicine in the moral sphere, in the spiritual sphere. We could say that the number of premature babies has decreased significantly in this country with the revolution. [applause, chanting] Because of what you say: Cuba is and will be an eternal Baragua. Because running through our veins is

the blood of Cespedes, the blood of Agramonte, Maximo Gomez, Maceo, Marti, [applause] and that of hundreds of thousands who, like them, gave their lives for their country. [applause]

Because not only that pure, heroic blood runs through our veins; the blood, the generous blood, the immensely pure blood of the working class, of the international revolutionary movement, also runs through our veins. Because our patriotic genes have been mixed with internationalist genes. Because the ideas of Marti and his group of companions in the struggle have been mixed with the ideas of Marx, Engels, and Lenin. [applause] Because all our thirst for justice and freedom has been added to our patriotic blood. [applause] Because our socialist and communist blood has been added to our patriotic blood. [applause]

No one has ever had stronger arguments or more powerful moral and ethical ideas, a more just cause to defend, greater honor and dignity to uphold, more independent and glorious banners to defend. [applause] We are working for something and for something: [as heard] to save the nation, to save the revolution, and to save socialism. [applause, chanting] We are working for this with the same spirit as the men and women of 1868 and 1895, with the same spirit as the men and women of Moncada and all the glorious deeds in the history of our people in this century.

We are working with the spirit of 1868, and that says it all, because in 1868 there was no oil, electricity, trains, or buses. In 1868 there was no frozen chicken. In 1868 there often were not even any shoes, clothes, or weapons. They fought with the weapons they took from the enemy, or with machetes. That is how our history was written. There were no doctors or medicine. There was nothing. Our people fought for 10 years in 1868. When some got tired and said it was not possible, Maceo said: Yes, yes it is possible to continue to fight, and we are willing to continue to fight. [applause]

When some said the necessary war would never be started again, Marti said: Yes, the necessary war will return. [applause] When the Yankees intervened in this country and imposed the Platt Amendment and a neocolony, our country said: We will not always be a neocolony. We will not always be dominated. And the day came on 1 January 1959. [applause, chanting] As we said the day the party congress ended, Marti's ideas did not die, nor were they defeated, when Marti fell in Dos Rios that 19 May 1895. Neither did Maceo's ideas die or be defeated when he fell in Punta Brava on 7 December. Ideas do not die, nor are they defeated, not even when those who defend those ideas die, if those ideas are just, as our ideas are.

Our ideas did not die on 26 July 1953, when dozens of comrades fell in battle or were killed after the battles. Those who ended the lives of many comrades after brutally torturing them surely thought they had smashed the revolution's ideas. They did not know that that day,

the revolution's ideas were multiplying more than ever and growing stronger than ever. [applause] It is good to remember this in times like the ones we are experiencing. It is good to remember our history and the history of our people, what our people were yesterday and what our people are today. When the fight for independence began in 1868, we did not even have a nation. We began to have a nation. We did not even have unity. We began to have unity. Half of the republic... [corrects himself] of the country could not participate in that first war, from Villa Clara to here, where there 300,000 slaves, producing sugar and coffee, doing the hardest work.

No, our people have lived through very difficult times, very difficult times, [repeats] but we have learned how to overcome them all. Our people never had what we have today, the strength we have today, the unity we have today, the experience we have today, the ideas we have today. We can say even more: the courage we have today, the conviction we have today, the heroism we have today. [applause] This is why we also stated at the congress that to those who want to become discouraged, to those who want to become demoralized because of their wants, we must answer: We are not frightened by the problems. We are not frightened by the wants of today or even much greater ones. Do not tell us our struggle has no future because we are confronting the colossus of the north. We have spent more than 30 years confronting that colossus, and it knows us well. [applause, chanting] A gluttonous colossus, but one that has not been able to swallow us, because we are like an immense ball of thorns, unpalatable, [applause] indigestible.

If someone was able to write that bit about the shark swallowing the sardine, and a book with that title even appeared in the initial years of the revolution by an author who at that time had certain decorously progressive ideas, today you cannot talk about the shark and the sardine. Today you can talk about the shark and the fireball, and ask if the shark could swallow the fireball. [applause] Today you can talk about the shark and steel, and ask if the shark could swallow that gigantic ball of steel which is the Cuban revolution today. [applause, chanting]

This is why we must say to those who want to sow skepticism: You do not yet know us well. You dare to measure people by the amount of ore they have, or the amount of oil, or because of what they carry inside here or here. You must measure us by what we carry in our hearts and in our heads. [applause]

To those who try to sow skepticism, we must say: Be careful. The solutions will come from our hearts and heads, and victory will come, however hard it may be. [applause] One who loses his mother cannot be consoled by anything. One whose mother is in danger cannot be advised to let her die because his mother cannot be saved. I do not think anyone would advise someone to do that. I think there is always an answer to that. It is as if you said to someone: Your mother feels ill but do not

take her to the doctor. Do not have her cured. Do not have her treated. Because that is the only way to be left without your mother. [applause]

When someone has lost his mother, he has lost all hope of having a mother again, or having brothers and sisters again, or having children again. That is why, to those who try to exaggerate the problems—which are big but do not frighten us because we feel bigger than the problems, [applause] because we multiply in the face of problems, because we grow in the face of problems, because we become better in the face of problems [applause]—to those who like to exaggerate the problems and say that in the face of so many adversaries, the gluttonous colossus and the meringue of sparrow's egg whites, to be very refined ...[rephrases] Because the meringue melted, and because the colossus is stronger, are we going to melt? [audience answers: "No!"] Are we going to stop fighting? [audience answers: "No!"] That is why we say that the only time there will never be a future—think this over well—the only time there will never be a future for our people, our fatherland, and our nation is if the fatherland is lost, the revolution is lost, and socialism is lost. [applause]

This is what the empire has always wanted: to swallow Cuba. For more than 150 years it has wanted to swallow Cuba. Now that the meringue has fallen apart, [laughter] they think the time may have come to swallow Cuba. [audience shouts: "No!"] In the first place, we must say that the reasons the meringue fell apart are circumstantial, because hunger has not disappeared in the world. The exploitation and plundering of the world have not disappeared. The billions of poor people in the world have not disappeared. On the contrary; they grow like foam. They grow like meringue when it is beaten. [applause]

There are more poor people in the world all the time. There are more plundered people, more exploited people, more ill people, more illiterates, more desperate people all the time, everywhere. Because capitalism has spent centuries exploiting people, and has not solved a single problem. Rather, it creates more and more problems all the time, everywhere. The world is not going to surrender. The world may become confused at a given time. There may be discouragement in the world. The revolutionary and progressive movement may become confused, intimidated, at times, but all this is temporary. Those who believe that they are going to build a 1,000-year empire on this world full of poverty are deceiving themselves. They will impose more and more poverty on that world.

People will react. See how they are reacting already in East Europe. There have just been some elections with about 70 parties. Think of that. Not even 50 percent of the people voted. See how interested they are in that enormous democracy... [corrects himself] that democracy, in enormous quotation marks. They do not even go to vote. You will see things, as time goes by, as they become familiar with that sweet poison with which

capitalism kills and annihilates, with which capitalism degrades and prostitutes peoples, with which capitalism poisons nations and turns human beings into beasts. [applause]

You will discover things, and different times will come. Our part is to struggle, to resist, to give hearts and minds time, to implement—as we are implementing—everything necessary to win the battle. This does not mean that the worst times have passed. We would be irresponsible if we told the people: It is alright. Do not worry. The problems will not exceed these limits. On the contrary; we must say that they may become much greater. They will surely become much greater. We must have our minds prepared for the worst, not for the easiest. Those who think that combat is easy do not win battles. Those who know that combat is difficult win battles.

It would be irresponsible, and show a lack of revolutionary honesty, since we do not know now how much oil we are going to have in January, February, and March. We know that many people do not yet even understand the problems of the special period. Even a change in movies, or one movie less on Saturdays, [on television] caused many people—and I do not say they did this in bad faith, but with the best wishes in the world—asked that this be rectified. Well, there was a correct and intelligent rectification: A movie was taken from Mondays and moved to Saturdays.

What if one day we cannot turn on our television sets every day? What if at some time we do not have enough fuel? What are we going to do? Are we going to sit down and cry? [audience answers: "No!"] Become demoralized? [audience answers: "No!"] That is why I said to you that in 1868 there was no electricity. Because, well, as I explained at the [party] congress, at the time of the triumph of the revolution we used 4 million tons of oil. We could buy seven tons of oil, seven, with one ton of sugar. This means that at 1959 and 1960 prices, we could buy 13 or 14 tons of fuel with 2 million tons of sugar. The thing is that now, with the monopoly price of oil, with the depressed prices of sugar in what we call the dumping ground of the international market, to buy one ton of oil today you almost need one ton of sugar. We could buy 1.3 or 1.4 tons of oil for one ton of sugar. All the country's sugar would not be enough to buy the oil alone.

It is possible that the woman who complained about the frozen chicken does not have the least idea of some of these problems, and what the country has to do under these conditions, how the country has had to get by with three tons of fuel less, and how the country has to get by with less fuel every day. Look how many efforts have been made to avoid power blackouts. But who is guaranteeing us that however great our efforts may be and however great the people's cooperation may be—because it has been great, in reducing consumption, and there have been even greater efforts by the state to reduce consumption, and there are a few tens of thousands who do not even remember this, nor has it crossed their

minds, and they use even more than before—but who can guarantee us that within a certain period of time we will be able to maintain the electricity system in operation 24 hours a day?

What about when we have to choose between one thing and another, between irrigating crops that will produce food, or one hour more of television? I am giving an example, using television. Or many other things. What about when we have to choose between more essential things and other, less essential things? What will we do then? Think about transportation, for example. A few years ago the number of trips was 28,000 and 29,000, in Havana, and that was not enough. Now we are at the level of 18,000. The number of trips has been cut by one third, and we can see it. It is sad, painful. Not everyone can ride a bicycle. We do not even have enough bicycles for everyone yet, but we are going to have them, at the rate we are going.

And if we have to choose at some time between fuel for a certain number of buses and fuel for preparing the soil? Or the fuel for certain things or fuel for irrigating bananas, potatoes, and other foods? Or fuel for cutting sugarcane with combines or mobilizing 300,000 people to cut cane, with the number of camps, clothes, shoes, machetes, and food we would have to mobilize to mobilize 300,000 people, without counting the technological changes at the collection centers, which today are served mechanically, not with those old ox-carts like before the revolution which carried the cane there close by? And when we have to choose between a few more hours more of light, electricity, or fewer hours in order to solve some of these important, decisive problems?

We need a lot of understanding, and above all it is necessary to understand that the country cannot work miracles in a few days. It needs a certain time to do so. Because the country is practically working miracles. We could run into the woman who has been mentioned and without interfering at all in her religious feelings, ask her: Are you a believer? And tell her: Look, we are working miracles. Because with everything that has happened in the world, and the fierce hate and the increased embargo by the empire, what the country is doing is miraculous, I say. We must continue to work miracles. [applause]

Now we have to calculate for every ton of sugar that is produced, where it is going to be sold, how much oil costs, how much oil we are going to buy, and where every liter of oil is going to go. Now we have to make greater efforts than ever to optimize each thing under current conditions, while what we are doing matures. We often are doing a lot more than we talk about, because we have no reason to be telling the enemy every day what we are doing, and what our hopes are based on, what we are doing and what our hopes are based on. [repeats] But the country that consumed 4 million tons of oil, when half the houses did not have electricity and when the population was almost half as large, and when those who used electricity used half of what they use today, this country reached consumption of 13 million tons of oil, 13

million. [repeats] The country had to cut consumption almost all of a sudden. In the second half of the year, the country had to cut consumption by 3 million tons.

In the second half of this year, the country has had to reduce consumption by hundreds of thousands of tons, hundreds of thousands of tons, [repeats] in addition to the cuts that had been made last year. Now the country has to calculate everything it has, everything it is worth, where things can be sold, what should be bought with each cent, so that our strategic plans can continue to move forward. It is very painful to halt the plans we have halted. How it hurts us! That whole plan for special schools! We still had to build more than 150 schools. We wanted special schools for 80,000. We have them for about 55,000 or 60,000. We even wanted to rebuild those that are in the worst condition.

Our housing plans: We were developing the materials industry to supply up to 100,000 houses per year. We had reconstituted the minibrigades, and we were carrying out a number of very interesting experiments; for example, the case of the industrial contingent in San Jose... [corrects himself] San Miguel del Padron, Milian, which raised the workers production from 4,000 pesos to 22,000. They were organized like a contingent. There were more than 200 brigades for irrigation and drainage for sugarcane, and dozens and dozens of brigades for building dams and canals. This was an enormous, extraordinary effort by the country, and the country is continuing it, or trying to, at all costs. They are building causeways and hotels, and boosting the food program with the greatest effort. There are all the scientific programs, the medical programs: the pharmaceuticals industry, biotechnology, biomedicine, medical equipment. All those programs are being maintained and promoted under such difficult conditions.

We must always preserve our hope. We must always preserve the solutions, however difficult the conditions are. This must be our philosophy. This must be our strategy. This must be the philosophy and strategy of our 1868 and 1895, this era, this great challenge in which the country must resist, while our enemies think the country is collapsing, is also falling apart. They confuse egg whites with special steels. [applause] They hope the revolution will not be able to maintain the people's unity, cohesion, and combativeness. We know this. There are some who individually fall apart, or melt. We know of some cases, even some former revolutionaries; or rather, some old revolutionaries. A former revolutionary is not the same as an old revolutionary. There are some of those, but they are very few. They can be counted on the fingers of one hand, in some categories.

In contrast, there is a great amount of heroism and work spirit, a great amount of the spirit of struggle everywhere. It is incredible how... [rephrases] I have said how we have seen it at other times. We can see it at this time, which is the most difficult of all, this spirit, which we admire so much in our people. I have gone on at length about this to stress the importance of ideology and the

ideological struggle, especially in the face of those who try to weaken confidence, hope, and faith in the revolution; confidence, hope, and faith in victory. [applause]

If Cuban revolutionaries at other times in history had become discouraged because of their problems, there would be no independent country called Cuba. [applause] There would be a small state of the colossus of the north, full of bordellos, gambling dens, drugs, and all the vices there have ever been or ever will be. But we would not have this beautiful nation, we would not have this beautiful country, we would not have this marvelous people, if at one time the Cuban revolutionaries had become discouraged along the way, if Cespedes had become discouraged after the first setbacks, or Gomez, or Agramonte, if Marti had become discouraged at the time of the Fernandina, or when they landed, if the patriots had become discouraged at the deaths of those illustrious leaders. Then we would never have had the nation we have today, the history we have today, the glory we have today. [applause]

I am talking to the Pioneers. I am not talking to the delegates to the congress, or the workers congress, or the congress of the FEEM [Federation of Secondary School Students] but to the Pioneers, our youngest generation of revolutionaries, because they have to participate in this ideological battle everywhere, on the corner, in lines, at home. You must often argue at home—that is true—even with the persons closest to you: your aunt, or cousin, or grandmother, or someone, or your father-in-law, or whomever. Although Pioneers have few fathers-in-law, [laughter] and few mothers-in-law. But you may have to argue with your brother's mother-in-law, or your neighbor's.

The ideological battle is very important and that is why I talked, at length, on this matter.

You have brought up many very interesting topics. I will not review all of them. The Pioneers organization and the youth will now be responsible for analyzing each of the agreements reached and analyses made by all the commissions and reach decisions on what must be done regarding all matters broached.

Some of you suggested ways of replacing imported toys. What an experience you received in Las Tunas. A great experience. It was great to hear the children and adolescents talk about this. Others spoke of the emblem. I believe this matter was discussed at length. You will have to make a final decision on this matter based on the results of and ideas expressed during the congress. Others broached the topic of the slogan. No one even thought of suggesting the idea of changing the slogan: We will be like Che. Beautiful things were said. You asked to hear about Che's childhood, of the kind of boy he was, what he did, what mischief he got into. In other words, you wanted to hear that he was like you. Che was surely like any other child. I remember when we suggested the slogan for the Pioneers organization. I recall that we asked ourselves: Who do we want our children to

be like? Our answer was: We want them to be like Che. That was during the huge mass rally held when Che died.

Che must be seen in a dialectical manner. He must be seen as a child, and also as a man; he must be seen as a primary school student, a fighter on the Sierra Maestra, a commander, a minister of industry, a worker. When we talk of Che we talk of an example of man, not a God or saint. No. Che is not a mystical idea. Che is in our minds. He is an example of man, example of a revolutionary. We must think of Che as the heroic man, the man of great values, the generous man, the excellent comrade, someone capable of giving his life not only for his homeland but for another country, not only for his people but for other peoples; a man who would go without something to give to others; a man who was a doctor and who would, under very difficult conditions, remain with the wounded men and forget that he was a soldier to become a doctor. Che was a doctor and a soldier. Che taught with his example; he was the complete man, the honest man, the self-sacrificing man, the socialist man, the man who believed in communism and the possibilities of communism, the promoter of voluntary work in our country, the broadminded, clean, brave, rebel man. In other words, Che is an example. [applause] He was the man of our times, the socialist, the communist, the internationalist. He was the brother who came from a foreign land to fight at our side; the comrade who, on many occasions, endangered his life for Cuba, not his country of birth.

Had it been 1979, perhaps the slogan would recall another man because our country's history is full of names and men. We said that our children should be like Cespedes, Agramonte, Maximo Gomez, Marti [applause], Mella. Our times and our struggle were the determining factor for the slogan selected not only for our pioneers but for our youths, and not only for our youths but for our workers, and not only for our workers but for the party militants, not only for the party militants but for our country's cadres. Che represents the best of everything, that infinite pleiad of values that our country has been fortunate to have. [applause] That is why we must gather information, gather all that can be found.

Someone said, and quite accurately, that everyone can be like Che. If you are experiencing an asthma attack but you have the spirit and courage to endure pain and suffering, then you are like Che. If you are studious, then you are like Che. It was said quite clearly here that if you read a poem, then you are like Che. If you work hard at whatever you are doing, then you are like Che. If you practice what you preach, then you are like Che. That is why I agree with that young comrade who, with very simple words said that it is not difficult or impossible to be like Che. This does not mean that we want all first, second, or third graders to be like Che, to be Che's. We seek to teach them to be like Che. [applause] That is the idea behind this slogan.

You talked about something that is very interesting. About the explorers movement. You talked about defense and defense days. Perhaps the matter of defense is among the most beautiful things you talked about today. We will have to ask all those who are interested, or involved in this matter, to study each and every idea expressed by you and to study ways to improve education. We want no one, no child, adolescent, youth, to be under the impression that they are useless or incapable of defending themselves if it should become necessary for us to defend ourselves. We want everyone to know what must be done and how it must be done. We want everyone to feel competent. I ask myself once again: Is there any country in the world where the Pioneers can broach such a topic the way you did? [audience shouts: "No!"] Is there any country in the world where the pioneers can express feelings the way you expressed your feelings? [audience shouts: "No!"] [applause] Would you disagree with me if I were to say that to be like this, to speak like this, and to think like this, is to be like Che? [audience shouts "No!"] Therefore, it is not just a slogan.

If I were to say that excellent comrades attended this congress, then I would also have to say that for every comrade who attended this congress there are tens and hundreds of good and excellent comrades around the country who did not come to this congress but who are being represented by you. [applause] [audience shouts "Fidel!"] Therefore, it is appropriate to say Pioneers for communism, we will be like Che. Today, more than ever, today in this special period, we must say that we must be like Che. [applause] Today, more than ever, we are confronted with difficulties and adversities. A people who fight will never be defeated, especially when the people know how to combine courage with intelligence. That is our primary duty; that is the primary duty of the party, the country's directorate. We must know to combine courage with intelligence. We once said that courage will never lack intelligence, and that intelligence will never lack courage. [applause] With intelligence and courage we shall go forward; with intelligence and courage we are simply invincible. Someday, our enemies and those who believe that our revolution will crumble will have to get off their cloud. Nothing built on steel pillars can ever crumble. [applause] All those who live in a cloud will fall.

When we see young people like all of you... [changes thought] As I said earlier, it is difficult to call you children and I have not addressed you as children. You may be young in age but you are more than children in intelligence, [applause] in feelings. [applause] [audience shouts "Fidel!"] You are more than children in awareness. You are children because of your youth, happiness, enthusiasm, inexhaustible energy, and love, but not in intelligence. I have not addressed you today as children. I have not even addressed you as adolescents. What is an adolescent? It is not clear. I have addressed you as young men and women, as revolutionary militants. [applause] [audience shouts: "Fidel! We are happy here!"] I have addressed you as frontline soldiers and that is what every

Pioneer must be during the special period. Every Pioneer must be a frontline soldier and I assure you that a brilliant future is ahead for our country. We saw this at the congress.

Everyone is impressed by a building like this one, or a hotel like the ones being built near the beaches or in Varadero. Everyone is impressed by the capital, a large factory. But nothing can impress you more than what is built in the hearts of men and women, in the intelligence of men and women. [applause]

During the party congress we heard our scientists speak quite discreetly and with unbelievable modesty. We have much hope put into our scientists. [applause] Our scientists are going to play a decisive role in this phase of the history of our country. A few years ago, those scientists were like you are today, they were Pioneers like you are Pioneers. We have tens of thousands of scientists and there is a graduate at each scientists side. We are not going to wait for the factories and new centers to be built to recruit personnel. We are looking for the graduates and putting them at the side of every scientist. There is an incredible spirit, impressive spirit. We have many things, but we would rather be discreet. We have many hopes but for the time being, a key idea will do. We must save the fatherland, the revolution, and socialism. [applause] To resist is to overcome. Socialism or death! [audience shouts: "Or death!"] Fatherland or death, we will win! [audience shouts: "We will win!"]

Castro Opens Ninth International Fair

PA0511153391 Havana Tele Rebelde and Cuba
Vision Networks in Spanish 0119 GMT 4 Nov 91

[Speech by President Fidel Castro to inaugurate the Ninth International Fair in Havana on 3 November—recorded]

[Text] You will find a few new things here, including, of course, this pavilion...this permanent exhibition center that we have built. The fairs used to be held over in... [pauses] it was also a new building. They were first held at the convention palace, then in [name indistinct], and now here in ExpoCuba. We have achieved progress. We still have land on which to grow, so we have achieved progress concerning the selection of the installations. We have more space. You may have seen that Cuba's participation has increased. This is proof of the efforts exerted by our country for its development, and it grows precisely at the most difficult moments.

I will not exaggerate the words spoken by Comrade [Ricardo] Cabrisas about our problems because they could not be greater, but our optimism could not be greater, and our certainty that we will overcome our problems could not be greater, either. We believe that we have a very clear idea about how to do it. I said that this is reflected in our exhibitions, because hundreds of thousands of persons are working on them—tens of thousands of scientists, as well as tens of thousands of professors, engineers, and professionals from assorted

disciplines. Also tens of thousands of midlevel technicians and qualified workers are participating in a great movement for efficiency, innovation, and invention.

This results in the fact that, soon—in an event that previously took place every two or three years and now takes place every year—approximately 30,000 reports will be presented by our inventors, technicians, and efficiency experts. This gives you an idea of the human mental effort being exerted by our people to find a variety of solutions—ranging from a screw for a Soviet tractor to a small electronic part for a Soviet elevator. Unfortunately, sometimes the elevator never goes beyond the third floor—if it ever works—because we have made mistakes. [laughs] No, do not think that I am criticizing our friends. I do not criticize our friends and I wish to state that the Soviets were our friends and are our friends—although others do not want to be [our friends]—and we will always feel grateful for what they did for us.

Almost everything we have—locomotives, tractors, trucks, etc., etc., etc.—came from socialist countries, from East Europe and beyond, or from the USSR. Then came the downfall (desmerengamiento). [laughs] We are not going to call it a blockade, because the intention was not to block Cuba. To the contrary, they want to send us the spare parts, but they never arrive, they disappear and cannot be found. There is lack of organization and order.

This situation has forced us to do what we had to do during the first years of the revolution—invent. We opened factories and started the engines. We are now making a similar effort, greater I would say, except that today we have what we did not have then—much more experience, and above all, much more knowledge [words indistinct].

Cabrisas may have said many things, but he did not say that today our country has a treasure of knowledge, which is its most important resource. With that knowledge we are facing and will continue to face our problems, and not just to build spare parts or machines. We will maintain the principle that whatever we build must be worthwhile and useful.

In many areas I can assure you without chauvinism that we are creating excellent products. We have medical equipment developed from advanced technology. We may not have ultramodern magnetic nuclear resonance imaging, but we are working on magnetic nuclear resonance imaging that soon will be comparable to the best, to cite one example.

We have medical teams that can make an antibiogram [antibiograma] in four hours, faster than any other team internationally. In the past it was necessary to wait 48 or 72 hours to know what antibiotic to give to a patient, and generally the patient died.

We have medical teams conducting studies of the brain. We have teams to conducting analysis using radioactive material, who could discover millions of parts of any

product, which we are modernizing year after year. Those are the teams of the ultramicroanalytical [ultra-microanalitico] system, to mention some examples. We produce radioactive material. We could use that type of equipment in 200 or 300 different ways in human and animal medicine and industrial processes.

We are currently engaged in building a very large monoclonal antibody production center that will produce hundreds and hundreds of monoclonal antibodies, or perhaps even more. In microbiology, we are working to produce vaccines for viruses, bacteria, and parasites. We are using new technology to identify diseases that often cannot be diagnosed using traditional methods. We have emphasized everything that is related to the heart, the circulation, and cancer. We even feel that we are sufficiently qualified to work on programs to combat diseases as terrible and puzzling as cancer. We have advanced considerably in this field and that is why Cabrisas said that we were going to be health exporters. I can add that we are going to export years of life, many years of life, many years of healthy life.

In addition to our great effort to further our food program—which is our first priority—we are using tissue cultures in an increasing number of forms to find new varieties [of produce] that are resistant to plagues and to changing climates and that are stronger and more productive. Thus, there is hardly any field of science that we are not exhaustively applying to resolve our current food problems.

As you know, we are also developing tourism. Our first steps in this field have been successful. We are building thousands of housing units, mostly on our own and with our own resources. Our resources include marble, granite, cement, stone, sand, manpower, project designers, and hotel builders. We also have thoughts and ideas on the kind of hotels we must build. Should the hotels be skyscrapers like the Empire State Building and other buildings, which are currently being bought by the Japanese in New York, or should it be a decent and livable hotel? Today, people do not want to stay in cages, like in one of those skyscrapers. Also, the cost of a room in a 25-story building is much more than one in a two-story or three-story building. It would cost a third less in convertible foreign exchange, which is currently one of the weaknesses in our development.

We are promoting tourism. We are striving to attain tourism expertise. We are studying ways to attend to tourists. The first mixed firms have been extraordinarily successful. Of course, we are pleased by this and proudly mention it at fairs such as this. Our associations have increased. They are alliances of many different types and involve foreign interests and capital. We have said that, undoubtedly, development requires capital, technology, and markets. In none of the books by Marx, Engels, or Lenin does it say that we can attain the development of our countries without capital, technology, or markets. These are objective, historic realities that prevail in a pluralist world with different social systems. Of course, each

country is free to govern itself and to establish the social system it considers most convenient and the distribution system it considers most just. However, economic cooperation between a socialist and a capitalist system and between socialist and capitalist firms, are perfectly feasible and our experiences are evidence of this.

We are determined not to allow any of our factories to halt production due to a lack of raw material or resources. There are many ways to be associated with foreign firms if we have the machines and the men. I must say that offers, ideas, and proposals of all types are pouring in because people in foreign countries believe in our country's responsibility. We have adopted adequate labor laws for this kind of association. No country can advance with paternalist laws and without discipline at work. Our people understand this because they have an average of almost 12 years of schooling. In the Third World you will not find a working youth that has a minimum of 10, 11, or 12 years of schooling. Unfortunately, you will still find a great deal of illiteracy [in the Third World].

We have a labor force that is capable of creating and doing excellent things. All it needs is good management, guidance, and a challenge. Our youth like challenges. What we require is the ability to organize. The response is really extraordinary when we have this. That is why I said that the first mixed firms are showing excellent results. They have recouped their capital in three to three-and-a-half years or four years at most. They will triple their capital over a 10-year period. I do not believe any country in world today offers the tax facilities offered here. This is precisely because we do not operate based on taxes. You earn so much and I will charge you so much in taxes. You cannot bribe your way around here. It is very difficult to bribe here, gentlemen. It is very difficult to find a minister, a deputy minister, or a responsible leader who will take bribes or get into shady or dirty business. I do not mean that there are no exceptions, but these exceptions cannot be found at levels of greater responsibility. You will find honest workers and officials. They may not have much experience, but I can assure you that they have a great deal of honesty. They are a hospitable and cooperative people.

It is gratifying to see how well organizations are working, including the party, the Communist Youth, the union, and the administration of mixed enterprises that we have placed in the hands of our foreign partners many times. We have told them: You have more experience than we do to organize the center efficiently. We will gradually acquire experience.

There is discipline, cooperation, unity, and harmony, and you know that those characteristics are not easily found in many places around the world. We are offering a broad opening, as broad as possible. We are analyzing the various proposals that we are receiving in one way or the other, always taking into account the advantages.

In addition, as I said before, we defend our independence, because that is what a country must preserve to have the distribution system or social model that it deems best.

Our partners will genuinely be our partners. They will be our comrades. They will share our profit. They will repatriate their capital more easily than in any other part of the world, because the repatriation of capital is automatic; that has been practically established. We offer more facilities than any other part of the world. They will not own our country, as happens sometimes when foreign investors arrive and commit capital to another country. We Cubans will be the owners of our country, but we will be the best partners, the best allies sharing a common interest with all those who may want to work with us, and who have confidence in us.

That is how we see things, despite the difficulties. We will seek solutions for our problems, even for the most difficult ones, such as the energy problem. We have never saved as much energy as we are saving now. We are also seeking new formulas, and conducting oil exploration not only in firm territory, but also in maritime areas. There is the possibility of finding oil. Sooner or later, our problems will be solved.

As I was saying, we are saving a great deal, we are working with great austerity. I believe that it would be difficult to find another country working with the same austerity that we are operating under. However, we have not sacrificed social programs, we have not fired anyone or made anyone go hungry. If there is not enough raw material, we send him home with a significant part of his salary, but we do not leave him without an income.

We have adopted human guidelines. We do not apply the so-called shock policies (*politica de choque*), which have caused so many problems in other countries, and which have weakened so many governments. There are many ways of doing things from a human concept, with a human perspective, and that is how we do things.

Those are the new things you will notice in our country. You will see that there is great enthusiasm. I do not know if there is another country where fairs are so popular as in our country. There is not enough time to see everything. I always find myself bewildered when I visit an exhibition center like this one, where more than 100 firms are participating with so many stands. Visiting only the Cuban section is a big undertaking.

As I said, you will see that there is great interest. You will establish contacts with many people. Undoubtedly, many ideas will emerge. We are willing to hear them all, and to work with seriousness and honesty in all those that are feasible, possible, and mutually convenient.

That is what I wanted to say to inaugurate this ninth fair. I wish you all success and good luck. Thank you. [applause]

Official Reasserts Investment Opportunities

PA0511184991 Hamburg DPA in Spanish 1816 GMT
4 Nov 91

[Text] Havana, 4 Nov (DPA)—The Cuban Government reasserted today its willingness to grant many opportunities and maximum flexibility for foreign investments in different sectors of the island's economy.

During statements to the German press agency DPA, Julio Garcia Oliveras, president of the island's Chamber of Commerce, said that his country is willing to "give proof of its maximum flexibility concerning foreign investments." Without confirming or denying the possibility that Havana may eventually admit enterprises with a 100 percent foreign capital, he said: "It will all depend on the projects proposed to us."

The opening to foreign capital, with additional advantages to Latin American and Caribbean capital, is part of the new policy that the Cuban Government is implementing to adapt itself to the world economy following the collapse of socialism in Eastern Europe.

Garcia Oliveras reported that the island's authorities are currently negotiating approximately 200 projects with businessmen from about 30 countries in the transportation, pharmaceutical, sugarcane products, and metal products industry. "Contracts have been signed with more than 50 foreign firms," the official stated; he explained that "a barrage of proposals have been received from foreign businessmen."

Referring to this, he mentioned the recent visits from delegations from the UK, Italy, and Mexico; as well as a large Spanish mission, which is attending the Ninth International Havana Fair, which was inaugurated on 3 November. Enterprises from Peru, Chile, Uruguay, Colombia, the Dominican Republic, Venezuela, Mexico, Argentina, Panama, and Brazil occupy large areas of the fair, along with Spain—the largest of all—Germany, France, Italy, UK, Belgium, Sweden, the Netherlands, the PRC, Syria, Cyprus, and Iraq.

President Fidel Castro reasserted on 3 November, when addressing the representatives of more than 700 firms from 27 countries that are participating in the fair, that Cuba "is granting a great opportunity to mixed enterprises." In his opinion, "the cooperation established between socialist and capitalist economies has been beneficial" for the tourism sector, in which foreign investment has been extended.

Castro Meets Italian Delegation

FL0511170491 Havana Tele Rebelde Network
in Spanish 1200 GMT 5 Nov 91

[Text] Our Commander in Chief Fidel Castro has met for several hours with the Italian Economic and Commerce delegation, headed by Foreign Relations Vice Minister Butini. The Italian delegation visited Cuba from 29 October to 3 November. Fidel also met with 30

Italian business representatives. Conversations between Butini and the highest revolutionary leader were held in a cordial atmosphere.

While visiting Cuba, the official Italian delegation met with their Cuban counterparts to discuss financial arrangements for economic and commercial exchanges, the promotion of investments in the two countries, and the continuity that will be given to the topics under discussion. The delegations will reach an agreement in the next few weeks concerning the payment of short term debts. In the meeting of the two official delegations, the Cubans presented a list of petitions and projects to be studied by the Italian board of directors on credit security for exports.

Fidel also had talks with the Italian representatives on criteria for perspective possibilities for economic exchanges between the two countries. The conversations included discussions on cooperation, development, and cultural aspects that could serve the two countries as major incentives for the amplification of bilateral relations. The economic and commercial sectors where the most interest was shown were sugar chemistry, nickel, agriculture, food producing programs, and an exchange of bio-pharmaceutical products, energy, and tourism.

Latin American Integration Talks End in Havana

FL0611032191 Havana Tele Rebelde and Cuba Vision
Networks in Spanish 0100 GMT 6 Nov 91

[Text] Joint efforts for the benefit of all is the prevalent theme among the businessmen meeting in Havana. The informal meeting of Latin American Chambers of Commerce ended in Havana with a single agreement: to fight for Latin American economic integration and for unity among the economic associations of the continent. This meeting of business representatives was held as part of the activities of the Ninth Havana International Fair and included the participation of [words indistinct] plus opinions from Latin America and the Caribbean.

The dialogue included analyses and goals for economic relations between Europe and Latin America. Cuba was represented by Julio Garcia Olivera, president of the Cuban Chamber of Commerce, who pointed out that the commitment of public and private businesses to the process of integration is vital under current conditions because they play a decisive role in the flow of commerce and investment among the Ibero-American family of countries. Olivera expressed the Cuban interest in strengthening trade ties with the rest of the continent.

It was decided with optimism to continue the talks on Latin American integration next year during the Tenth Havana International Fair.

Nickel Industry Seminar To Promote Achievements*FL0511220391 Havana Radio Rebelde Network
in Spanish 1255 GMT 5 Nov 91*

[Report by Carlos Rafael Dieguez on the "Doing Radio" program]

[Text] A few days ago, Aldo Parodis, the head engineer at the Comandante Pedro Sota Alba Plant in Moa, reported to "Doing Radio" that the holding of the international seminar on acid lixiviation of lateritic minerals in that industrial city represents, among other things, the opening up to the world of the Cuban nickel industry. We can understand the significance of this seminar if we take into account that about 100 specialists, technicians, and business executives from companies throughout the world involved in the extraction of nickel and cobalt will be present at this event, including representatives of prestigious companies from the most powerful corporations in the field, all coming to find out what Cuba has done in the last 30 years.

Our enemies believe we are incapable of exploiting our nickel and cobalt reserves. They doubted we would be able to put the Pedro Soto Alba Plant into operation. It is the only one in the world that processes lateritic minerals by acid lixiviation; this was an experimental procedure for the yankee company. Although the world's major nickel producers know that in the past 30 years we have been extracting nickel and cobalt, they do not know how it has been possible for a developing country, under an embargo, to achieve this feat. This plant, which they said we would not be able to put into operation, has already turned out 500,000 tons of nickel and cobalt concentrate with about 91 percent efficiency in extracting the nickel which comes with the ore, a rate that has not been reached anywhere else in the world.

Moreover, now that the first international seminar on acid lixiviation of lateritic minerals is going to be held from 11 to 17 November in Moa, those involved in this kind of production are showing interest in attending and finding out what Cubans have done and are doing in producing nickel and cobalt. This is why we can say that this meeting represents an opening of Cuban nickel to the world.

Through presentations, conferences, and roundtables at this meeting, Cuban specialists will set forth the experience they have acquired and tell those involved in this industrial field how Cubans have achieved what we have. All of this will increase Cuba's prestige and show that although Cubans do not have advanced technologies, as a result of scientific and technical disarmament, our intelligence and will have been able to make up for it.

Tourism Official on Hotels, Visitor Arrivals*FL0411164391 Bridgetown CANA in English
2149 GMT 3 Nov 91*

[Text] Santiago de Cuba, Nov 3, CANA—Cuba, intent on boosting its tourism revenue to expand its faltering

economy, has opened a 309 room hotel, a big new nightclub, and a new airport in this southern coast city. The 19-storey five star hotel Santiago de Cuba, built at a cost of \$42 million dollars, was officially opened last Thursday, hours before the opening of the \$10 million dollar Tropicana Santiago nightclub.

The hotel and nightclub are owned by Cubanacan SA, one of the island's largest commercial and industrial holding companies. Cubanacan President Abraham Maciques told more than 300 tourism officials from around the world at the hotel opening, that the new ventures and others to come were a clear demonstration that Cuba was very serious about tourism development. Two weeks ago, the new Antonio Maceo Airport was opened in the city.

The communist state, which has endured a 32 year United States trade and leisure travel ban, is aiming for a 30,000 room capacity by 1995 from the present 7,000. The aim is to make tourism the number one foreign exchange earner by the year 2000, eclipsing sugar, Maciques said. Cuba hopes to increase tourist arrivals this year by 100,000 to 400,000, to half a million next year, and topping one million by 1995.

Maciques' message to other Caribbean tourism destinations was not to shudder at Cuba's projected tourism might because it was the country's aim to work with all of them for the overall benefit of Caribbean tourism. Cuba has been seeking membership in the 29-nation Barbados-based Caribbean Tourism Organisation (CTO) which provides research and consultancy services funded mainly by national tourism organisations. However, it has been kept out on the official ground that it has refused to recognise the Government of Grenada since the 1983 U.S.-led ouster of a pro-Cuba regime. Insiders say the real reason is that with the U.S. territories of Puerto Rico and the Virgin Islands in the CTO, Cuba's membership would create complications in light of the U.S. embargos.

At least two major Jamaican hotel chains have already entered the Cuban market, opening properties in the neighbouring island with the hope of capitalising on expected liberalisation of the political economy.

Health Organizations Commend Social Efforts*FL0511223991 Havana Tele Rebelde Network
in Spanish 1800 GMT 5 Nov 91*

[Text] Journalist Gloria Ogas has a report for us now about a matter we find very satisfying. The Pan-American Health Organization [PAHO] and WHO have approved the way Cuba has used the resources allocated to us for the development of the health sector, and have consequently set aside \$2.5 million for the next two years.

[Ogas] After five days of intensive work, 10 experts from WHO and PAHO have evaluated Cuba's technical cooperation with their organizations. A dedication ceremony

for the new headquarters of these international health organizations in Cuba was held.

[Begin recording] [Dr. Jose Romero Terruel, PAHO representative in Cuba, identified by caption] Mr. Minister, we have been here since the beginning of the important changes the revolution has introduced to the country, and we will continue to be here. No other country has devoted so much effort and so many resources to the social sector, in particular to education and health, to give its people social justice. Cuba has never hesitated to share this knowledge and the results of its efforts to support health programs in other Third World countries.

We are proud, and offer you our sincere gratitude. In the name of PAHO Director Dr. Carlyle Guerra de Macedo and all the members of our organization, we reaffirm our decision to continue our constant cooperation through the Health Ministry, and Health Minister Julio Teja, a natural ally in our work and struggle to achieve health for all. These dreams are already a reality in this country. [end recording]

[Ogas] A scientific research center has opened at the WHO and PAHO headquarters. It will provide services to Cuban and foreign professionals.

Praise Country Achievements

FL0511214591 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 5 Nov 91

[Text] A four-day evaluation meeting of the World Health Organization [WHO] and the Pan American Health Organization [PAHO] has ended in Havana. Representatives of WHO and PAHO hold periodic meetings to evaluate the work carried out by member countries. The representatives of the two organizations believe that this meeting that just ended in Cuba has been the best so far.

The WHO and PAHO representatives had the opportunity to observe the clear goals and priorities of Cuba's public health sector and the maximum use given to the funds allotted to Cuba. WHO and PAHO representatives have suggested that Cuba be included in a new computerized accounting and financial system which is already being used by several countries. The system was recently used in Peru during the cholera epidemic, and it proved to be very effective. The system allows for a rapid exchange of information between countries and the two organizations to determine financial and, in general, health needs.

WHO and PAHO have endorsed full support for the research, production, promotion, and marketing of the health technology produced by Cuba. They have also recommended backing for Cuba's biomedical research. All of the WHO and PAHO representatives who visited Cuba have agreed to immediately present these proposals before the general directorate in Washington.

Havana Notes U.S. 'Pressure' on Latin America

FL0511220691 Havana Radio Progreso Network in Spanish 1725 GMT 5 Nov 91

[Text] A confidential U.S. State Department document is circulating among its embassies, urging them to pressure Latin American governments to prevent discussion in the United Nations of a draft resolution on the embargo against Cuba. According to AP, Washington has warned several Latin American governments that voting in Cuba's favor could harm their relations with the United States. Moreover, the U.S. Government document urges Latin American countries to demand that Cuba withdraw the petition it has presented in the UN General Assembly.

Symbolic Blockade of U.S. Embassy Noted

FL0511190791 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 5 Nov 91

[Text] While we were offering you other news we were also receiving reports on activities throughout the world to protest the U.S. blockade of Cuba. One dispatch is datelined Mexico City and it informs us that on 13 November, the day the blockade will be discussed at the United Nations, the Going For Cuba [Va Por Cuba] group will form a 5 km human chain in the Federal District. The human chain will extend from the UN offices in Mexico City to the U.S. Embassy in a symbolic blockade of that diplomatic mission. The Going For Cuba group has issued bonds to promote the purchase of a ship with oil for Cuba and has prepared two cultural events, to be held on 8 and 13 November, to gather funds for the island.

The end to the 30-year blockade by the United States against Cuba was also demanded by European parliamentarians during a meeting held this weekend in Glasgow, Scotland. Labor Party deputies have asked the British Government to call for lifting the blockade against Cuba.

Castro Tours Alquizar Vegetable Enterprise

FL0611031591 Havana Radio Rebelde Network in Spanish 0002 GMT 5 Nov 91

[Text] This afternoon, Commander in Chief Fidel Castro visited the Vegetable Crops Enterprise in Alquizar as part of his tour of agricultural centers in Havana Province. The president of the Councils of State and Ministers was primarily interested in the preparation of fields for the winter planting season. Fidel was informed that the work was being carried out in uninterrupted 36-hour stints and that thanks to the heroic efforts of the machinery operators, there are only 24 caballerias left to be worked.

Our commander in chief was also informed that on the same day as his visit to the Alquizar enterprise, the first major planting of the winter season had begun with the first cabbage plants. Fidel was informed that during the

week other crops would be planted, and potato planting would begin in mid-November. The supreme leader of the Cuban revolution also showed interest in the status of [word indistinct] as part of the biological fight against pests and diseases. Production has been stabilized with two shifts and all equipment in operation.

Regarding the work of the camps and contingents, it was explained to Fidel that the 11 camps in Alquizar have the necessary labor force, which works with enthusiasm and the spirit of the contingents. He was also informed that the potato seeds are arriving and are being kept in the warehouses, and that all the necessary conditions for a good crop with the required quality were being met.

Finally, our Commander in Chief Fidel Castro toured some areas of the enterprise and exhorted the workers to keep working the way they were, using the work days to the maximum and carrying out the most productive winter season yet at the Alquizar agricultural enterprise.

FAR, Soviets Celebrate October Revolution

FL0611023491 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 6 Nov 91

[Text] The Cuban Revolutionary Armed Forces [FAR] have rendered homage to the Great October Socialist Revolution with a political and cultural event at the Universal Hall. Division General Ulises Rosales del Toro, Politburo member and chief of the General Staff, headed the event, accompanied by a group of Soviet military advisers, FAR commanders and officials, and members of the Ministry of the Interior.

A group of artists, under the direction of Tito Juncos, performed October Continues With Us [Octubre Sigue en Nosotros], featuring mainly Soviet dances and songs.

Moscow Appoints Kalinin as New Ambassador

FL0511221091 Havana Radio Reloj Network in Spanish 2002 GMT 5 Nov 91

[Text] PRENSA LATINA has reported from Moscow today that (Arnold) Kalinin has been designated Soviet ambassador to Cuba by Soviet President Mikhail Gorbachev. With this decision, Yuriy Petrov was released from this position and is now free to head the presidential office of the Russian Federation.

Born in 1929 of Russian nationality, Kalinin was minister counselor of the Soviet diplomatic mission in our country between 1969 and 1974. From 1974 to 1982, he was Soviet ambassador to Portugal. Between 1983 and 1987 he was Soviet ambassador to Angola, and since 1987 he has been chief of the Communications Department of the Soviet Foreign Ministry.

Haiti

Coup Backers Urge Demonstration Against Embargo

FL0611120691 Bonaire Trans World Radio in English 1130 GMT 6 Nov 91

[Text] First it was citizens demonstrating against the military regime in Haiti and now backers of the coup have gotten into the act. They are calling a demonstration today against increased international economic sanctions. They say the country is too poor to face the boycott sponsored by the Organization of American States which began soon after the overthrow of President Jean-Bertrand Aristide.

Venezuela and Mexico, which supply Haiti with most of its oil products, have cut off their shipments creating severe gasoline shortages. The United States and France have curtailed all their aid. Canada joined the embargo Monday, leaving Haiti nearly isolated economically.

In Washington, the OAS has again postponed a mission to Haiti. Former Colombian Foreign Minister Augusto Ramirez Ocampo who heads a 12-member advance team says they will travel to Port-au-Prince Friday or Saturday depending on when they can get a plane.

Consul Calls For Organized Resistance

FL0611001491 Barahona, Dominican Republic Radio Enriqueillo in Creole 1100 GMT 1 Nov 91

[Statements by Haitian Consul Wilson Desir in New York on 1 November—live or recorded]

[Text] Throughout the world [words indistinct], democracy is destroyed [word indistinct], overthrown president [word indistinct] is looking for a really good leader to govern this nation. The entire world is against this pack of criminals, military men such as Cedras, Commander Diderot, Michel Francois, and many other officers and noncommissioned officers. The whole world rejects them because they [words indistinct] need a man of great value; a man with spiritual, moral, and patriotic virtue to govern this country. We tell them that the whole world recognizes Father Jean-Bertrand Aristide just as we recognize him.

On 30 October in the United States, President Bush issued an executive order, made public today, urging reinforcement of the embargo. Inside the country, the U.S. Embassy called 156 employees home. All but 30 left.

France, Belgium, Panama, Canada, Guatemala, Honduras, Jamaica, and many other countries are with us. They do not acknowledge this government. The OAS, the United Nations, no where is this government accepted. In New York, Miami, Canada, and Paris, where Haitians are occupying the embassies, and around the world, we Haitians will speak out because we know that inside the country, the military is using heavy weapons to kill the people.

We will not stand outside. We stand firmly on our position. Do not become discouraged; we have many supporters. Many governments, organizations, and countries are behind us. Do not forget, even when you become discouraged, that miracles can take place. We will create this miracle regardless of what happens. President Aristide will return to the country as the constitutional president.

They are lying in our country. The embargo has hit. Soon there will be no fuel or materials, and equipment can no longer be imported. We must mobilize. Do not go to school. Do not go to work. Do not pay for electricity, telephone, school, taxes, water, or anything else so long as macoutes are in power. If you pay, they will steal your money.

Mourning has spread a pall over the country. Criminals are out roaming the streets. Even the military are criminals who kill at night. Do not expose yourselves to the enemy. Organize intelligently. The press is no longer free. You receive no news. People from New York and Canada will call to let you know what is going on. Listen for news and spread what you hear. Give the macoutes false information when they search for patriots in your neighborhood.

Alone we are weak; together we are strong; tightly united, we are an avalanche.

Honorat, Party Leaders Coalesce Against Embargo

FL0611022991 Port-au-Prince Radio Nationale
in Creole 1400 GMT 5 Nov 91

[Text] In his concern for maintaining dialogue with all sectors of the country, Prime Minister Jean-Jacques Honorat met on 4 November with representatives of 28 officially recognized, registered political parties. This meeting was in preparation for the OAS mission arriving on 6 November. The purpose of the meeting was to establish a national position to prompt the OAS to reconsider the embargo.

Representatives of the various political parties concurred that the hasty decision of the OAS to [word indistinct] the Haitian situation, and to trample ipso facto the clauses of their charter, will have the greatest impact on the poorest strata of Haitian society. An action plan against the embargo was therefore discussed and adopted.

Following this meeting, representatives of the political parties established a 12-member committee to coordinate steps to be taken, in addition to those being taken by the provisional government, to find a solution at this difficult juncture.

Canada Suspends Commercial Relations, Aid

FL0611014291 Port-au-Prince Radio Soleil Network
in Creole 1200 GMT 5 Nov 91

[Text] Canada announced on 4 November that it has suspended all commercial relations and bilateral aid to

Haiti, except for humanitarian help, to protest the country's September military coup.

Justifying these measures before the House of Commons in Ottawa, External Affairs State Secretary Barbara McGregor stated: We cannot tolerate the Haitian people's wishes being trampled. She announced the suspension of bilateral trade with Haiti and explained that the Canadian Government will not authorize exports to that country, except food products deemed necessary for humanitarian purposes. Ottawa also hopes to suspend all bilateral development aid normally provided to Haiti through nongovernmental organizations. The development assistance has represented the major part of the bilateral program between Canada and Haiti since 1987.

The Canadian Government will further propose a bill to freeze all Haitian Government assets in Canada, Mrs. McGregor added.

Canadian exports to Haiti consist mainly of fish, cotton, paper, and dairy products, representing approximately \$14.7 million Canadian, or US\$13 million in 1990. Canada's imports from Haiti are comprised mostly of clothes and toys, assessed at about \$14.8 for the same period. Bilateral aid from Canada to Haiti represented about \$20 million dollars per year.

Ex-Mayor: 'Army Is a Cancer Devouring Democracy'

FL0611010191 Port-au-Prince Radio Soleil Network
in Creole 1200 GMT 4 Nov 91

[Text] Former Port-au-Prince Mayor Evans Paul said in an article, sent to THE MIAMI HERALD on 3 November, that to preserve democracy in Haiti, the Army must be restructured in compliance with the Constitution. He finds this a national duty.

Evans Paul, who has been in hiding since 7 October, said the Army is a cancer devouring democracy in Haiti. He added, however, that this problem was not created by General Raoul Cedras, but had originated among all Army members who respected neither principles nor commands.

He further urged all parties not to take reprisal against the Army, the privileged classes, the people, or the current rulers. Paul, who had been elected mayor of Port-au-Prince in December 1990, with 85 percent of the votes, believes that those guilty of common law crimes, and who have been identified as such, however, should be required to appear before the court to answer for their actions.

Claude Family Files Accusation Against Aristide

FL0611024491 Port-au-Prince Radio Metropole
in French 1500 GMT 5 Nov 91

[Text] Both the family of the late Reverend Sylvio Claude, and Mrs. Paul Clara Victor Louis, wife of Major

Wilner Louis of the Haitian Navy, have lodged complaints against deposed President Jean-Bertrand Aristide. According to an article published in the daily LE MATIN, Marie-Denise Claude, daughter of deceased Rev. Sylvio Claude, has written to the public prosecutor at the Court of First Instance in Port-au-Prince in the name of her family, lodging complaints against ousted President Jean-Bertrand Aristide, whom she accuses as author of her father's assassination.

Mrs. Louis has also lodged written complaints with the public prosecutor against Father Aristide, Prime Minister Rene Preval, Colonel Pierre Cherubin, Lieutenant Richard Salomon, and an unidentified French citizen for abuse of authority, illegal arrest, corporal torture, blows, and injuries. Mrs. Louis herself had been arrested for a plot against state security on 13 July.

St. Lucia

Aristide on Restoring Democracy in Haiti

FL0511190391 Bridgetown CANA in English
1702 GMT 5 Nov 91

[Text] Castries, St. Lucia, Nov 4, CANA—Deposed Haitian President Jean-Bertrand Aristide began a visit here on Monday, pledging not to resort to violence to restore democracy in his homeland and expressing confidence that his democratically-elected [government] will be restored with nonviolent external assistance.

Aristide, who has already paid visits to Grenada and Dominica, was originally scheduled to be here for the day but the visit was extended until Tuesday. Speaking to reporters on his arrival, Aristide said he was "very confident" that he would be restored to power in Port-au-Prince "to restore democracy and respect for human rights."

He said during his seven months in office, "there was not one single death caused through disrespect to human rights." In comparison, he added, the military which overthrew him had "killed one thousand Haitians in less than two weeks."

Against this background, he said, he regretted that "the world seemed more interested at the time in a coup in the Soviet Union in which no lives were lost, than in a coup in Haiti in which a thousand lives were lost." Nonetheless, he said, the response of the international community has been positive, "although we think they are going too slow." He declined to name any country, saying "they know themselves."

The deposed leader, who won over 70 per cent of the votes in the presidential elections in Haiti last December, accused the military of embarking on "a smear campaign" aimed at presenting him to the world "as a violent man."

"They are not telling the truth. They lied to justify their killing of a thousand people when they took over, they killed (former Duvalier interior minister) Roger Lafontant in prison, and said I ordered his death. They had lied since they took power and they will continue to lie to justify remaining in power," Aristide said.

Aristide said he continued to rely on international and regional pressure to assist in restoring democracy in Haiti and welcomed the role played by the Organisation of American States (OAS) and the Caribbean Community (Caricom).

Aristide's visit to St. Lucia was organised by Helen Television System (HTS), the island's main television station, especially for an interview on its "Focus Caribbean" programme to be aired Monday night.

El Salvador

Cristiani Discusses Peace Talks, Power Shortages

PA0511225291 San Salvador Canal Doce Television
in Spanish 0300 GMT 5 Nov 91

[Text] President Alfredo Cristiani has described the current round of talks as a final boost to the negotiations, adding that the resolve of the FMLN [Farabundo Marti National Liberation Front] to achieve peace will determine the possibility of ending the war by Christmas. The president also disclosed certain measures that the government will implement as an immediate means of confronting the energy crisis.

Cristiani trusts and reaffirms that the country has reached a decisive point for the achievement of peace. At an improvised news conference, the president described the meetings that both delegations are holding in Mexico as crucial.

[Begin Cristiani recording] This meeting, this final boost if you will, may be interrupted only by recesses to consult and evaluate the matters discussed, then the meeting will continue.

I insist that if the FMLN has the resolve to end this war, it can be ended before Christmas. [end recording]

The president reiterated that if it were up to the government the cease-fire would already be signed. He emphasized that at present the guerrillas are the problem because they are the ones who are refusing to sign. While the meeting in Mexico is experiencing problems, the situation in the country is becoming critical. The extension of power rationing to seven hours has frustrated the people, as well as commercial and industrial institutions, which have argued that they are suffering heavy losses.

The president has expressed concern over the pressure the people are exerting and he blames previous governments for not anticipating this situation. The president said that El Salvador has not had an energy development plan for over 15 years, and he hinted that a solution may be the privatization of energy distribution.

[Begin Cristiani recording] We must set up electrical generators. Over 40 possible dam sites have been identified, which can give people the development [words indistinct], an industrial center capable of meeting electrical needs, while allowing us to use our existing centers to serve other areas.

The leading problem, however, is that El Salvador did not have an investment plan for 15 years due to poor planning by previous governments. The people are currently suffering a drought because of the destruction wrought by the FMLN. The problem, however, is that our needs surpass the power generation capabilities of the country. [end recording]

Another solution the president is considering is the use of government funds to purchase a fuel-generated plant

within six months. He said that the government is trying to attain financing so the purchase can be accomplished within the established period.

Cristiani made these remarks following the presentation by the Salvadoran Minors Council [Consejo Salvadoreño de Menores] of its national award to the Roberto Callejas Montalvo Cerebral Palsy Association for its work in support of Salvadoran children.

FMLN's Handal on Resumption of Talks in Mexico

PA0511191991 San Salvador Radio Cadena YSU
in Spanish 1800 GMT 4 Nov 91

[Report by Ricardo Gomez, SALPRES correspondent]

[Excerpts] A light at the end of the tunnel has become visible in the peace negotiations in El Salvador. However, the negotiations are entering a very difficult phase in which even the tiniest problems can become complicated. This is what Alvaro de Soto said on 4 November a few minutes before the beginning of another round of talks between representatives of the government and the FMLN.

Alvaro de Soto, personal representative of UN Secretary General Javier Perez de Cuellar and mediator of the talks, said that due to the importance of this round, the secretary general hopes the two parties will be particularly careful when making public statements. De Soto warned that although the practice of making public statements was more tolerable during other phases of the negotiations, during this phase similar behavior could very well damage the process. [passage omitted]

De Soto said there is no time limit for this meeting, which could last until the end of the month. He hinted that the possibility of eventually going to New York—and on to a higher level—is still open. On the subject of a cease-fire, De Soto said this topic will be discussed when necessary. He added that there was confidence regarding this issue because in New York a lot of ground was won on the technical military aspects of a cease-fire.

Upon entering the Del Prado Hotel where the negotiations are taking place, Jorge Shafik Handal, head of the FMLN [Farabundo Marti National Liberation Front] delegation, said:

[Begin recording] [Handal] We hope this will be the last round of talks. Lengthy, arduous work awaits us. Just as we agreed, there will be some interruptions to make preparations and ensure continuity, but it will be one single meeting. I repeat, there will be some interruptions, but this will be one single meeting. We hope this will be the final effort.

[Unidentified reporter] Can you be a bit more specific regarding the topics to be discussed?

[Handal] Well, several topics are pending. They are related to the Armed Forces, the security corps, and the civilian national police corps. These are among the most

important subjects that are pending. There are a few other topics pending, but these are the most important ones. [end recording]

Alvaro de Soto said that talks were about to begin this morning between the United Nations and each of the parties; he added that the plenary sessions might begin any time after that. This is how things stand at the beginning of this round of negotiations; this might be the last round—or one of the last rounds—in the search for a definitive solution to the armed conflict in El Salvador. [end recording]

FMLN Commandos Warn of Upsurge in Violence

PA0511195791 Paris AFP in Spanish 1710 GMT
4 Nov 91

[Text] San Salvador 4 Nov (AFP)—Salvadoran urban guerrilla commandos on 4 November warned of a possible upsurge in violence in response to counterinsurgency operations the Army began two weeks ago in the countryside.

The warning was issued in the form of a communique issued by urban commandos of the Farabundo Marti National Liberation Front's (FMLN), at a time when preparations are under way for a new meeting between government and guerrilla representatives to seek a cease-fire.

The rebel communique says: "We have a right to defend our people from government repression and to steer our efforts toward revolutionary change that benefits our country."

The guerrillas noted the appearance of a new right-wing paramilitary group called the Armando Azmitia Front [Frente Armando Azmitia], which has "openly threatened the UN Observer for El Salvador (ONUSAL) mission."

Meanwhile, the ultraright-wing Crusade for Peace and Jobs [Cruzada Pro Paz y Trabajo] chastised the government through the media for maintaining the points it is negotiating with the guerrillas in Mexico "a secret."

"The government delegates do not own the people or the country to enable it to commit to agreements that endanger El Salvador's future," the crusade, whose leaders remain anonymous, states.

Meanwhile, this weekend it was reported that UN Deputy Secretary Marrack Goulding will meet with President Alfredo Cristiani and Defense Minister General Rene Emilio Ponce.

"There are difficult things to resolve," said Goulding, who nevertheless expresses confidence that both sides will attend the talks in Mexico and demonstrate "sincerity and honesty."

Goulding feels confident that before the end of the year a cease-fire may be reached, which will lead to the end of the 11-year civil war.

Combat, Blackouts Noted

PA0511233291 San Salvador Radio Cadena YSKL
in Spanish 1200 GMT 5 Nov 91

[Report by correspondent Nelson Guillermo Cordoba from San Vicente Department—live]

[Text] Military actions have been taking place for several hours now in San Vicente Department. After the electricity was cut at about 0410 this morning, three strong explosions were heard. Later, sporadic rifle fire on the outskirts of the city was heard, which leads one to believe that the 5th Infantry Brigade, supported by artillery fire, is moving into vanguard positions in various parts of the city. This, however, has not been officially confirmed.

However, civilian sources said the blackout is the result of sabotage acts carried out by the Farabundo Marti National Liberation Front [FMLN] against electricity structures. As of about 0550 this morning, the military actions continued. Rifle fire is heard in the northeastern part of the city near Apastepeque; in the area of Las Minas Canton, located in the northeastern part of the capital city of this department; and in the eastern part of El Santuario neighborhood where 5th Infantry Brigade troops are fighting against the FMLN rebels.

No casualties have been confirmed yet. We will be keeping you posted on the events taking place in San Vicente City, San Vicente Department.

FMLN Actions Condemned

PA0611035091 San Salvador PRENSA GRAFICA
in Spanish 5 Nov 91 p 38

[Unsigned letter: "The Government of El Salvador Condemns!"]

[Text] The Government of El Salvador Condemns:

The irresponsible actions of the FMLN [Farabundo Marti National Liberation Front], who has dynamited six primary energy lines—one 46,000-volt line that supplies power to La Paz Department; and five 115,000-volt lines located between Santa Ana and Cerron Grande, between San Martin and Cerron Grande, between the 5 November Dam and San Rafael Cedros, between San Rafael Cedros and San Lorenzo, and between lines 1 and 2.

FMLN-organized terrorism works directly against the civilian population. Hospitals, health centers, and neighborhoods are some of the sectors that are directly affected by these attacks. Energy towers and light poles are not military objectives. Their destruction are acts of terrorism that cruelly violate the human rights of Salvadorans.

The government is reporting these attacks against the civilian population to the international community and humanitarian institutions. These attacks occurred on the day the peace talks are being renewed in Mexico City.

[Issued] San Salvador, 5 November 1991
[No signature as published]

Military Blames Blackouts on FMLN

PA0511235391 San Salvador Radio Cadena YSKL
in Spanish 1200 GMT 5 Nov 91

[Text] Military sources report that most of the country is experiencing lengthy blackouts because of guerrilla sabotage acts carried out within the last few hours against several primary lines and structures of the national energy system.

The Armed Forces Press Committee [Coprefa] said Farabundo Marti National Liberation Army [FMLN] blew up two power towers near Nejapa, north of San Salvador. Coprefa added that four poles were downed in San Rafael Obrajuelo, in central La Paz Department, and three more were downed in Santa Ana Department, west of San Salvador.

Meanwhile, the Lempa River Hydroelectric Executive Commission [CEL] reported that four primary lines are down because of the FMLN sabotage, which will affect the normal rationing schedule that has been in effect since last August. The lack of rain during the past rainy season has affected the electricity supply because of the lack of water in the reservoirs at the hydroelectric dams. The government scheduled four-hour rationing schedules daily throughout the country. These might be extended up to mid-1992. CEL said that the constant acts of sabotage by the FMLN have worsened the crisis, and rationing was increased as of 4 November up to eight and 10 hours per day.

The guerrillas recently said the sabotage actions against the country's electricity system are in response to the military actions carried out by the Army in the areas the FMLN considers under its control.

FMLN Commandos: Government Hardening Position

PA0611022091 (Clandestine) Radio Farabundo Marti
in Spanish to El Salvador 0000 GMT 5 Nov 91

[Communique issued by the Modesto Ramirez Urban Commandos of the Farabundo Marti National Liberation Front, FMLN, in San Salvador on 4 November 1991, read by announcer]

[Text] The FMLN's Modesto Ramirez Urban Commandos inform the Salvadoran people that:

1. We are deeply concerned about the hardening of the government's position at the negotiating table, which makes it difficult to reach final agreements.

2. The hardening of the government's position has resulted in more warlike actions by the Armed Forces, which during the past few weeks have unleashed a number of military operations against the civilian population in areas under our control.

3. The escalation of the regime's warmongering actions is being accompanied by its death squads, operating as the new Azmitia Melara Front with the support of its highest leaders, who have openly threatened the UN Observers for El Salvador, ONUSAL.

In view of this situation, the Modesto Ramirez Urban Commandos reaffirms its right to defend our people from the government's repression and to direct our efforts toward achieving revolutionary changes that will benefit our nation.

Therefore, we will hold the Salvadoran Government and the Armed Forces High Command responsible for any action that may contribute to the intensification of the war.

[issued] San Salvador, 4 November 1991
[signed] Modesto Ramirez Urban Commandos

Panama

Endara Calls Social Security Fund 'Bankrupt'

PA0411215591 Panama City LA PRENSA in Spanish
1 Nov 91 p 1A

[Report by Vilma E. Figueroa B.]

[Text] President Guillermo Endara said 31 October that the Social Security Fund's [CSS] financial situation "is dreadful" and that the fund is "bankrupt." He pointed out, however, that the fund will not be closed during his administration.

"We must face the situation of an institution so dear to the Panamanian people and so necessary for social security. I think I must save the CSS, whose financial situation is terrible, as local and international authorities have confirmed," Endara said. He said he will not avoid his commitment to save the CSS.

Regarding the doctors' strike, he said his government has not yet decided to take specific measures but that the time will come when he will have to.

The president said that the Legislative Assembly should expedite the approval of proposals for privatization, CSS, and tax reforms because, otherwise, Panama runs the risk that the support group will be "disbanded." He alluded to a group of developed countries interested in helping Panama meet its obligations with international financial institutions. "We should speed up the approval of these proposals because the lending banks will meet by the middle of November and Panama must take this opportunity to present its entire package. The situation is somewhat dangerous for us. The support group is

ready now. If we delay, the group may be disbanded. It is very important that these proposals be approved before the financial institutions meet," Endara said.

He said that, although relations with Peru are at a difficult stage, the two countries are trying to ease the situation caused by the fact that Gonzalo Gonzalez and Heraclides Sucre, two former officers who collaborated with Noriega, have been reported missing in Peru.

Asked of his alleged friendship with Juan Acosta, who was killed in the United States, Endara said he still is not sure whether the man was a drug trafficker or not.

He said he never met either Falcon or Magluta, who were arrested in the United States. "I have no reason to be concerned over these two persons because they were never clients of my office and never called there. No one knows them or has anything to do with them at the office. They are absolute strangers."

Finally, he said that his law firm, Endara, Solis, and Delgado, never learned of any purchase of goods in Miami or the opening of any bank accounts with illegally obtained money.

Doctors Suspend Strike; Hint at National Protest

*PA0411211491 Panama City LA PRENSA in Spanish
2 Nov 91 p 1*

[Report by Irene Hernandez G.]

[Text] The Association of Doctors, Dentists, and Related Professionals of the Social Security Fund (AMOACSS) decided in a special assembly on 1 November "not to extend" the strike the group has been staging for a week in protest of proposed amendments to the Social Security Fund (CSS) basic statutes.

The AMOACSS board of directors presented the motion to suspend the medical workers' strike. The board warned, however, that if the authorities fail to meet the doctors' demands regarding the controversial amendments, the board will "approve a nationwide strike."

The medical groups began a "militant" strike on 28 October to protest economic changes proposed for the CSS. The strike was subsequently extended, but ended 1 November.

The strikers also staged a march on 31 October with several hundred marchers participating. According to some politicians, the march did not live up to expectations. On the contrary, it ended with one group accusing the other of "betrayal."

This disagreement among the medical groups led to an emergency meeting of the National Medical Negotiating Commission (Comenenal) which, according to its members, concluded that "there was a lack of communication and trust among the members."

Comenenal is made up of the AMOACSS, the National Medical Association, the Panamanian Association of General Medicine, The Association of Medical Specialists of the Santo Tomas Hospital, and the Federation of Medical Residents and Interns.

During the meeting, it was said that since negotiations with the Health Commission of the National Assembly resulted in the decision that medical professionals would have job stability, and since the commission had accepted the challenge of having the CSS audited by independent auditors, considered to be an achievement, the board decided to end the strike.

The doctors also protested over Presidential Decree No. 166, which deals with the Program for the Development and Modernization of the Economy. They feel that the decree was issued to intimidate the strikers.

A government source, however, emphatically denied this charge. He said the decree refers specifically to guidelines for the government's economic policy, and has nothing to do with the strike by medical organizations.

The decree states that the Program for the Development and Modernization of the Economy will be implemented and adhered to by ministers, members of boards of directors, directors general, and general managers of autonomous and semiautonomous institutions, among other authorities.

Police Shoot U.S. Soldier in Traffic Incident

*PA0511211291 Panama City ACAN in Spanish
2018 GMT 5 Nov 91*

[Text] Panama, 5 Nov (ACAN-EFE)—After being shot by a Panamanian policeman, U.S. soldier Child Jaile Mikael died on 4 November in Panama City. Official sources reported today that the soldier was driving an automobile in the wrong direction on a one-way street and disregarded a policeman's warning.

A police spokesperson reported to ACAN-EFE that the soldier and three other U.S. citizens were driving along a one-way street in the wrong direction in Panama City, therefore, the policeman—whose name was not disclosed—took one shot at the vehicle.

The age and rank of the deceased soldier and information about his companions have not been disclosed by Panamanian police.

In a brief communique, the Panamanian Foreign Ministry stated that it regretted the death of the U.S. citizen and requested that Attorney General Rogelio Cruz take all necessary steps to clarify the facts and determine responsibility in the case.

There are approximately 10,000 U.S. soldiers in Panama, stationed on bases alongside the canal.

Argentina

Di Tella, Canada Sign Investment Agreement

PY0511201091 Buenos Aires TELAM in Spanish
1710 GMT 4 Nov 91

[Text] Buenos Aires, 4 Nov (TELAM)—Foreign Minister Guido di Tella and his Canadian counterpart, Barbara McDougall, signed today an agreement for the promotion and mutual protection of investments. Di Tella is on an official visit to Canada.

The Foreign Ministry Press Office reported that the agreement "provides for mutually favorable conditions and a just and equitable treatment for investments."

The agreement also establishes that "each party will grant to the investments or profits of the other party a favorable treatment similar to that given to any third state." It also states that "investments or profits obtained from the investments will not be nationalized or expropriated, and that each party will guarantee the unrestricted transference of such investments and profits."

The agreement also states that "an international mediator or the appropriate courts of the country in which the investment was made will be in charge of solving any possible controversy."

Committee Formed To Continue Deregulation

PY0511234091 Buenos Aires BUENOS AIRES
HERALD in English 5 Nov 91 p 6

[From the "Business World" column]

[Text] (DYN)—The creation of a government committee to continue deregulation in other areas was announced yesterday by Economic Planning Secretary Juan Llach. The committee will be presided over by Economy Secretary Carlos Sanchez and made up by officials of the Legal and Technical Secretariat under the wing of the Economy Ministry and the Treasury. The commission will analyze the deregulation of the tobacco fund, among other deregulations, Llach said. The commission's aim is to "put all sectors on an equal footing," he added. All future subsidies will have to be ratified by Congress, Llach pointed out.

New Army Leadership, Attache to U.S. Announced

PY0511204691 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 1921 GMT 5 Nov 91

[Text] Buenos Aires, 5 Nov (NA)—Division Generals Martin Balza, Horacio Canestro, and Mario Candido Diaz occupy the top posts in the new chain of command that was released today by the Army General Staff.

According to the official announcement, the Army's chain of command is as follows:

Chief of staff: Division Gen. Martin Balza.

Deputy chief of the joint staff: Division Gen. Horacio Canestro.

Deputy chief of the Army: Division Gen. Mario Candido Diaz.

Inspector general: Brigadier General Raul Gomez Sabaini.

Staff general director: Brigadier General Enrique Laurente.

General secretary: Brigadier General Anibal Laino.

Department I (Personnel): Brigadier General Alberto Abramor.

Department II (Intelligence): Brigadier General Carlos Schilling.

Director general of military institutions: Brigadier General Jorge Maffey.

General Maximo Groba was named commander of II Corps, based in Rosario. General Carlos Quevedo was named commander of III Corps, based in Cordoba. And Jorge Halperin was named commander of IV Corps, based in Bahia Blanca.

General Ruben Fiorda was named military attache to the United States.

New Army Commander 'Not Against Painted Faces'

PY0511210891 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 1057 GMT 5 Nov 91

[All quotations marks as received]

[Text] Buenos Aires, 5 Nov (NA)—New Army Commander in Chief General Martin Antonio Balza stated today that "he is not against the painted faces" nor is he an "enemy" of this group because they are "comrades with whom I shared almost my entire life in the military" and with whom I have shared "difficult situations." The painted faces have been involved in a series of protests since 1987.

Balza, who led the repressive actions against the military uprising on 3 December 1990, declined to comment on former Colonel Mohamed Seineldin, leader of the "painted faces." Balza said he will make every effort to achieve true unity within the Army.

Asked about projects to reorganize the Army, Balza, a Malvinas war veteran, said: "This is a decision that does not involve only the chief but the entire Army."

Asked about the steps he will take after replacing Lieutenant General Martin Bonnet, he said: "It cannot be described as the most important one, adding that one must say that we will continue with the reorganization. The next stage will be the executive one."

Balza was installed as the new Army commander in chief on 4 November. He replaces Lt. Gen. Martin Bonnet, who asked for retirement last week.

Asked about the fact that many people regarded him as an enemy of the "painted faces," Balza said: "They sometimes think that I am against the painted faces and not [word indistinct]."

"They also describe me as an enemy of this group, and I do not have enemies. I do not regard as enemies those comrades with whom I shared almost my entire life in the military and with whom I have faced difficult situations."

He said: "All the commanders, including the chief of staff and the chief of [word indistinct] are engaged in restoring discipline."

"You can rest assured that unity prevails within the Army, that each officer is discharging his duties in his respective unit."

New Tariff Rates Needed for Yacyreta Project

PY0511234491 Buenos Aires BUENOS AIRES
HERALD in English 5 Nov 91 p 6

[Text] (DYN-NA)—The completion of the Yacyreta hydroelectric project "will be unfeasible," if energy tariff rates agreed upon with Paraguay are not renegotiated, Economy Minister Domingo Cavallo said yesterday at a seminar on the integration of electric power markets of Mercosur [Common Market of the South] and European Economic Community countries held at the Claridge Hotel yesterday.

Cavallo reiterated that capital investments in the binational project were not efficiently allocated. The economy minister pointed out that costs overshot initial estimates by between 300 and 400 percent. Repeated postponements in construction work and persistent renegotiations with contractors prompted President Carlos Menem to call the hydroelectric project "a monument to corruption" last year.

The aim of Paraguay is to recover the entire investment through energy tariffs. Yacyreta power rates would be three times dearer than international market rates if the policy of securing a positive rate of return on invested capital were to be implemented. Such a policy would be "absurd," Cavallo said.

He was critical of Argentina's track record of statism and government intervention. "In Argentina, the attempt to plan and take decisions centrally, without having the tradition of an efficient bureaucracy, has led to very serious mistakes," the economy minister said.

These include the steep escalation of estimated costs and the breaching of scheduled deadlines of state-financed projects, Cavallo pointed out. This, in turn, has led to lobbying by contractors and suppliers, he said. The

setting up of a competitive Mercosur electric power market is imperative, Cavallo concluded.

Bolivia

Labor Minister Discounts Union Leaders Charges

PY0211215091 La Paz Television Boliviana Network
in Spanish 0200 GMT 2 Oct 91

[Text] According to the labor minister, union leaders are lying to the country when they assert that the government intends to privatize the health, education, and social security services. The union leaders are thus trying to justify protest measures like the march carried out yesterday.

Labor Minister Oscar Zamora Medinacelli thus diminished the credibility of the Labor Federation leaders who are trying to justify their actions against the government, which never considered carrying out such assertions simply because they are unconstitutional.

'Massive' Antidrug Addiction Campaign Announced

PY0511105091 La Paz Television Boliviana Network
in Spanish 0200 GMT 5 Nov 91

[Text] Foreign Minister Carlos Iturralde announced today that the government will implement a massive campaign to prevent drug addiction from increasing in the country.

Iturralde also said that the government will comply with all of its commitments with the international community in relation to the struggle against drug trafficking.

MNR Official Abandons Party; Leadership Cited

PY0211220891 La Paz Television Boliviana Network
in Spanish 0200 GMT 2 Nov 91

[Summary] Gilberto Antelo Sucre, an MNR [Nationalist Revolutionary Movement] leader from the city of Tarija, has abandoned the party due to disagreements with Gonzalo Sanchez de Lozada's leadership. In an open letter to the Bolivian Congress, Antelo states that De Lozada did not want to meet with him when he came to represent the party followers in Tarija. Antelo called De Lozada's attitude bad-mannered, antidemocratic, and haughty.

Brazil

Economy Minister Explains Economic Changes

PY0511231891 Brasilia Voz do Brasil Network
in Portuguese 2100 GMT 5 Nov 91

[Report by Mayr Lucy Vilela from Congress]

[Text] Economy Minister Marcilio Marques Moreira visited today the Chamber of Deputies to explain the changes in the government's economic policy. He said

that last week's rise in dollar and gold prices was caused by rumors that the government would be preparing a new economic measure after the Central Bank's decision to stop gold sales.

Marques confirmed that Brazil is going through a difficult moment. He said, however, that there is a remedy for the crisis and that the remedy does not involve a shock, freeze, or confiscations. The solution depends on structural changes involving the liberalization of the economy and the revision of the state's role, he noted.

Concerning the interest rate increase, Marques said that it was not a deliberate action to hold demand in check but a consequence of inflation.

He also confirmed that public prices are not right, but denied reports (?disseminated) by the newspapers that the country is reportedly going through a foreign exchange crisis.

According to Marques, the country's reserves stand at a comfortable level.

During the debate, the deputies criticized the tax reform package submitted to the national Congress on 1 November.

The congressmen claim that the changes in the income tax represent an excessive burden for salaried workers and do not resolve the problem of collection.

Marques refuted the congressmen, saying that the reform not only sought to improve tax collection but also sought improved fiscal justice and a simplification of the legislation on tax income.

*** AEB Scores Policy 'Weakness,' Likely Impact**

92SM0044A Sao Paulo VISAO in Portuguese
25 Sep 91 pp 26-28

[Interview with Laerte Setubal, vice-president of the Association of Brazilian Exporters, by Lauro Filho; date and place not given]

[Text] Brazil is going to end up handing over its market to developed countries and receiving virtually nothing in exchange, giving away the trump cards that it has and that could assure it of advantages and benefits in international negotiations. And all of this because of "political weakness," according to the vice-chairman of the board of Duratex and vice-president of the AEB (Association of Brazilian Exporters), Laerte Setubal.

Setubal adds, in an exclusive interview with VISAO, that by political "failure" he means the complete absence in the country of a development policy, involving long-term objectives, and an effective industrial policy. To use other words, which are not the precise ones uttered by this business leader but reflect his point of view, the country is auctioning off its future without demanding real benefits.

Setubal gives the example of the dispute over intellectual property rights—the protection of patents—to illustrate his point. By the beginning of the year 2000, the services sector—which covers everything from telecommunications and engineering to the financial sector and entertainment—will account for 95 percent of international trade. And it is this lucrative portion of the market that the United States and other developed countries are greedily fighting for. According to Setubal, it is precisely this long-term perception that is lacking in Brazil. "The country is not far-sighted enough in its thinking." The entire interview is printed below.

[Filho] How do you view the open market policy followed by the Brazilian government and the negotiations with the United States in the context of the "Initiative for the Americas" proposed by U.S. President George Bush?

[Setubal] I have the impression that the country is going to end up giving in to the United States in the most important negotiations, without getting anything in return, out of political weakness. And this comment does not take into account the computer industry. There was a great deal of lobbying in this sector, but that is not what destroyed the market reserve. It was the inexorable economic and technological reality that finally forced even the large firms like IBM to join forces to survive. Brazil is not even going to be able to ask for very much in this area in exchange for yielding its market.

[Filho] You mentioned political weakness. Exactly what does that mean?

[Setubal] The term "political" in this case would have to be associated with something else. I am referring to an industrialization policy. The issue to be addressed here is the following: We are now going to see that the major topic that is still being debated in the international arena is the issue of intellectual property and patents. And why this? First, it is important to realize that there is a problem of semantics. For us, when we see the term "services" discussed in the news, we think about engineering and construction services. In an international context, services are everything that is not "hard," that is not merchandise. Therefore, the major industry in the world is the services industry, and that includes communications, entertainment, from movies to video, the entire insurance industry, the banking sector, and everything that is "software," including patents in fact.

[Filho] And that is what explains the United States' interest?

[Setubal] Of course. The U.S. position in defense of intellectual property is based on the following premise: At the start of the century, the services sector accounted for about 5 percent of international trade in imports and exports, and merchandise 95 percent. Today, services account for 47 percent, and goods for 53 percent. And, by the end of the century, when we arrive at the year 2000, merchandise will account for only 5 percent of world trade, since the trend is to manufacture locally

everything that is "hard," while 95 percent will be concentrated in the services sector. When the U.S. fights for patent protection and intellectual property rights, it is fighting for a long-term market. And that is the policy that I am referring to. Brazil is not far-sighted enough in its thinking.

[Filho] In your opinion, what should Brazil's position be? Should it negotiate this? How?

[Setubal] It would have to negotiate. I would not make market reserves, but I would focus in the negotiations on what we can ask in return or in exchange from the United States and the developed countries. I believe that we could involve the external debt in these negotiations, and demand benefits and the actual transfers of technology, for instance. But this country lacks a clear vision of industrial policy and development policy—the "Projeto" (National Reconstruction Project) is a very short-term program and it consists of guidelines and not medium- and long-term strategies. The nation's various objectives should be revised so that we could be in a position right now to trade positions, like players do in a chess game. You would allow them to take a piece here, so that you would be in a safe position later on.

[Filho] How would these negotiations come about?

[Setubal] It would have to be through Congress. But Congress would have to be convinced that this is precisely what the country needs. Today, members of Congress still hold protectionist views, like they do in the U.S. Congress, I might add in passing. The U.S. Congress is much more protectionist than the executive branch, that implements what Congress mandates.

[Filho] Do you believe then that the Brazilian Congress should approve the plan backed by the government for the immediate adoption of the system of patents? Shouldn't this be negotiated more carefully first?

[Setubal] Yes, it should be better negotiated. After all, what are we going to get in exchange for this?

[Filho] But once the patent protection is approved, the government will lose one more chess man for the negotiations....

[Setubal] Exactly. We have to negotiate first. But we also have to know what we want. I am in favor of introducing the patent system, but not like this. You come and say: take what you want. And then?

[Filho] You draw a parallel between the U.S. and Brazilian Congresses. In recent weeks, pressures on the Brazilian government and criticism of Congress have been mounting, because Congress has been stalling on opening the market and approving the intellectual property protection bill. How do you view this type of pressure? Would this be accepted in the U.S.?

[Setubal] I do not view this like the politicians do, as a threat to national sovereignty. Threats to sovereignty are found more often between four walls than this type of

public debate. This may be somewhat irritating (the pressure), but it is not nearly as irritating as an actual invasion of sovereignty.

[Filho] Pressures in favor of patents and a more rapid opening of the Brazilian market have been escalating, with missions of U.S. government officials and businessmen criticizing the country for not having adopted the recommendations of the rich countries....

[Setubal] That is true, in fact. But I believe that they are acting in accordance with the U.S. system. In that system, when business leaders feel that the president is in favor of something and Congress is against it—which is also common there—they believe that by pressuring Congress, they are helping the president. I am sure that both the businessmen who have come here as well as some U.S. officials were trying to help President Collor, who wants to see these laws passed by Congress.

[Filho] You mentioned two points around which we could try to negotiate with the rich countries: the external debt and transfer of technology. Couldn't this happen in other areas?

[Setubal] Well, I believe that we could negotiate to reduce tariff barriers imposed on our exports. But the United States has already given signs in this direction. There is another fundamental point, and that is the matter of foreign investment. Here too we could try to obtain something.

[Filho] Since you have brought this point up, the most recent statistics of the Central Bank show that Brazil's foreign investment has gone up this year, countering the poor performance of some sectors. Doesn't this indicate that there has been a certain change in the international arena in favor of our country, which has been receiving more dollars without even having buckled to all the pressures of the rich countries?

[Setubal] Curiously, there is interest in Brazil. Personally, I know of at least two U.S. banks that have already used up their lines of financing to Brazil. Businesses have foreign loans, but the country does not. This has happened partly because of the positive image that President Collor has abroad. Something like "we are going to help someone who wants to open up his country." In truth, there is plenty of money on the international market and Eastern Europe, which was expected to be a major competitor, has proved a failure. This, however, was predictable, because those countries did not even have checks. They did not have the economic structure or machinery to circulate money. In Brazil, we have the same level of complexity and sophistication as in the United States.

[Filho] Recently, in the United States, the so-called big three of the automobile sector (General Motors, Ford, and Chrysler) joined forces for the first time to ask the U.S. government to adopt barriers against Japanese car imports. And later on, U.S. businessmen came to Brazil

to pressure the country to further open its market. Isn't there a contradiction there? What is good for the United States is not good for us?

[Setubal] This is a widely held position. All countries provide for a certain amount of protection for their markets, some more and some less. Brazil cannot open up completely. This move has to be carefully weighed. What I mean is that in the case of Brazil, you feel that there is no medium- or long-term plan. There are countries everywhere defending their domestic market in certain economic sectors. This is happening in Germany, England, and France—where a number of markets, including telecommunications, are closed to foreign participation. You have to have a basic concept of your own development. You can open your market in some areas and close it in others.

[Filho] You are a businessman who has followed foreign trade and you must have seen the most recent figures for the trade balance of the "Asian Tigers." South Korea has been recording constant deficits, and Formosa is also having problems. Basically, because they have opened their market, mainly to Japanese companies, and have created import corridors. Shouldn't this example make the Brazilian government think carefully about its openness policy?

[Setubal] It's true. But this is what I think. There is a fundamental difference, and that is the problem of the exchange rate. While the exchange rates move in complete freedom there, here they represent a restrictive factor. In other words, when the exchange rate goes up a little, it is more difficult to import, and exports are promoted. Since Brazil is a major debtor, it has to be concerned to a certain extent with international reserves. It cannot allow reserves to move at the whims of the market.

[Filho] Brazil's Ford subsidiary announced that it was going to increase the proportion of foreign parts and components in the cars it manufactures, as a way of reducing costs. And there is a series of examples of multinational firms that have been closing down their production lines in Brazil because it is cheaper to import. Isn't Brazil in danger of repeating what has been happening in Korea, where the more the country grows and exports, the more it has to import?

[Setubal] Today there are extremely dangerous situations for Brazilian industry. For instance, it is much cheaper to import steel from Germany than to produce it in Brazil. This risk really exists, because of persistent inflationary and cost pressures. Since the exchange rate is not following suit, this favors imports in the end.

[Filho] Is the government going to have to grant more subsidies and easier credit to exporters to offset these pressures?

[Setubal] I am presently supporting the idea that the one to finance Brazilian exports is the Brazilian investor. Not Finex [Financing and Export Fund] or Proex [Export

Financing Program] (special lines of credit for exporters). The Brazilian investor can do this by selling commercial paper on the market. But this does not have to be done through banks, nor does the value of this paper have to be limited to \$100 million. The paper should be valued at \$10,000, so that anybody could buy it. Complicated mechanisms are created so that we cannot take advantage of the famous market opportunities that still exist. Thus, just as you buy a CD (bank certificate of deposit), you could buy a commercial paper. Why make people do this through banks, if they charge a 10 percent commission and do not assume the risks?

[Filho] Are you saying that this system favors only large exporting firms?

[Setubal] It is prejudicial to small and medium-sized export companies. Three years ago—and this figure cannot have changed much since then—around 80 percent of exports had an average value of \$10,000. If you deduct these, there are 200 firms left that are really exporting in huge volumes. A different export procedure should be adopted for firms exporting under the \$10,000 limit, with a single document that includes the tax slip, export waybill, and exchange contract. For larger operations, the current red tape could be maintained. If we do this, we would clean up 80 percent of operations, that account for 10 percent of the country's total exports (close to \$3 to 4 billion a year).

[Filho] What is the status of exchange fraud?

[Setubal] Today, if papers are not directly falsified, with the difference between the dollar on the commercial market and the parallel market running at around 12 percent, the practice of under-invoicing exports is not worth it, since every act of fraud has its cost.

Correction to Decision Repealed

PY0111202

The following correction pertains to the item subheaded "Decision Repealed," published in the 1 November Latin America DAILY REPORT, pages 31-32. Page 32 column one, first partial paragraph, only sentence, make read: ... has repealed an injunction granted earlier by 6th Federal Court Judge Sergio Feltrin Correa, who had upheld a petition filed by Government Attorney Gustavo Tepedini. [new graf] The auction of... (rewording)

Chile

October Inflation Rate 'Highest of Year'

PY0511192091 Santiago Radio Chilena Network
in Spanish 1600 GMT 5 Nov 91

[Text] The National Statistics Institute, INE, has reported that the IPC [consumer price index] in October,

2.9 percent, is the highest of the year. The inflation rate during the first 10 months of the year now rises to 16.1 percent.

Economy Minister Carlos Ominami said that the 2.9 percent IPC in October is due to seasonal factors and not to a bull run. Reporter Maria Cristina Prudent gives us further details on this.

[Begin recording] [Prudent] Economy Minister Carlos Ominami said that the October IPC of 2.9 percent is exclusively due to seasonal factors caused by the increase in prices of some agricultural products.

[Ominami] This result is absolutely exceptional. As you were able to see, the report released by the National Statistics Institute shows that a very few agricultural products have had a very strong impact on this result. They are products that are not heavily consumed by the people. Unfortunately, they have had a negative impact.

[Prudent] The economy minister added that this year's goal of an 18 percent inflation rate still prevails. [end recording]

Marchers Arrested During Santiago Protest

PY0611020691 Santiago Television Nacional de Chile Network in Spanish 2330 GMT 5 Nov 91

[Text] An undetermined number of people were arrested during incidents in downtown Santiago this afternoon. The incidents began in the Alameda sector after a march staged by relatives of political prisoners who support the hunger strike carried out by six political prisoners.

After the march, a group headed toward La Moneda Palace, an act that made police intervene and arrest an undetermined number of people. Carabineros used tear gas and water cannons to disperse the demonstrators.

Political Prisoners' Kinsmen Protest at Meeting

PY0611021291 Santiago Television Nacional de Chile Network in Spanish 2330 GMT 5 Nov 91

[Excerpt] A group of relatives of political prisoners was expelled from the Chamber of Deputies after staging a demonstration in the gallery of the session room.

The incident occurred this morning as the Chamber of Deputies was analyzing a draft bill on the distribution of income stemming from the soccer pool. The relatives of political prisoners who stayed in the gallery surprisingly waved placards, threw pamphlets, and shouted slogans in support of political prisoners who have been on a hunger strike for more than a month. The demonstrators shouted slogans against all congressmen. [passage omitted]

Colombia

Large Inflow of Dollars Hinders Economy

PA0411185891 Paris AFP in Spanish 1542 GMT 4 Nov 91

[Text] Observers say that the considerable number of dollars flowing into Colombia are hindering the country's economy and forcing the government to apply severe and very unpopular measures on the business sector, primarily a 12.5 percent revaluation of the currency.

According to specialists, the influx of dollars to Colombia, which have been quite abundant over the past two years, has increased over the past few months, creating a monthly surplus of \$200 million.

For some, this is due to the fact that for the past two years the government has touted a policy of opening up to other countries, thereby favoring exports and the entry of foreign capital at an interest rate of 40 percent.

Meanwhile, despite the discretion that surrounds the issue in business circles, it seems as if drug traffickers have lately "repatriated" a large portion of the money that they had abroad.

Colombia has no mechanism to control "dirty" money, the laundering of which is not considered a crime.

According to a good source, several million dollars recently appeared in Cali, headquarters of one of the most powerful worldwide cocaine-trafficking organizations.

The influx of dollars created an ever increasing demand for the Colombian peso, which prompted the government to freeze 250 billion pesos (approximately \$380 million).

The authorities have also created annual exchange certificates. These documents can be discounted at a rate of 12.5 percent which, in fact, constitutes a revaluation of the peso. If a dollar is officially worth 677 pesos, it would be impossible to sell dollars at more than 590 pesos.

This measure has strongly disturbed economic circles, and according to secure sources, foreign banks that sold and purchased dollars lost \$100 million in one day.

Meanwhile, exporters also expressed their discontent. Coffee exporters, who earned over \$1.4 million in 1990, immediately protested and the government agreed to lower the discount rate for them from 12.5 percent to 10 percent.

"This policy is not very coherent," a banker told AFP. A protest from one exporter could lead to others and promote fraud," he added.

Oil Exports 'Virtually Collapse' in Sep

PA0611041891 Santa Fe de Bogota Emisoras Caracol
Network in Spanish 1200 GMT 2 Nov 91

[Text] The Colombian Petroleum Enterprise's [Ecopetrol] oil exports virtually collapsed in September. According to statistics, in September Ecopetrol sold only 74,400 barrels per day of its daily potential export volume of 262,293 barrels. This represents a drastic drop from the export figures of September 1990.

[words indistinct] exports dropped an average of 34,900 barrels per day while Occidental oil exports increased to 80,740 barrels per day.

According to Ecopetrol, the average price of a barrel of Colombian oil for the month was \$18.81.

AD/M-19 Satisfied With Election Results

PA0611044191 Santa Fe de Bogota Emisoras Caracol
Network in Spanish 1200 GMT 2 Nov 91

[Text] The 19 April Movement Democratic Alliance [AD/M-19] admitted that it created false expectations for the 27 October elections, but noted that it is satisfied because it struggled against the [word indistinct].

During a meeting of AD/M-19 congressmen, Antonio Navarro Wolff urged the members of the democratic alliance to work together at congress and to benefit from the position of other political parties.

Navarro said that the AD/M-19 has to continue looking for agreements; to continue taking advantage of rivalries; and be able to present joint proposals.

Paraguay

President Refuses Personal Salary Increase

PY0511190691 Asuncion HOY in Spanish 5 Nov 91
p 17

[Excerpt] President Andres Rodriguez waived yesterday his 1992 salary increase. It is presumed that his decision will lower the level of salaries originally provided for in the 1992 draft budget for "high-level" public servants.

President Rodriguez met yesterday with Finance Minister Juan Jose Diaz Perez; Chamber of Deputies President Jose Antonio Moreno Ruffinelli; and Senate President Gustavo Diaz de Vivar to discuss the controversy provoked by the excessive increase in legislators' salaries.

"The president specifically asked for a lower salary. It is therefore presumed that the salaries of high-level public officials will also be reduced," Diaz said at the end of the meeting.

But it is Congress that will finally decide if the 13 million guaranies salary for the president in the 1992 budget is reduced. The president's income now totals nearly 8 million guaranies.

"The president's salary increase compared to his present salary is in fact very little. The big salary increases are for legislators and high-level public administrators, not precisely for the president," Diaz said.

He said that the already famous "complementary income" applies only to public servants who must work at their posts full time and cannot have other responsibilities. Diaz said that legislators, on the contrary, "may have other responsibilities." [passage omitted]

Soviets Study Possible Asuncion Trolley System

PY0511225491 Asuncion ULTIMA HORA in Spanish
5 Nov 91 p 12

[Text] Three Soviet experts from the Trolley Construction Enterprise arrived in Asuncion for a 15-day visit. They are analyzing the possibility of implementing a trolley system in Asuncion. Kanukev Alexandre, Finkelshtein Boris, and Petronova Valentia met on 5 November with Asuncion Mayor Carlos Filizzola, whom they briefed on the methodology to be implemented.

Boris, the chief of the Soviet delegation said: "There are good conditions in Asuncion for the use of trolleys as an optional system in the public transportation service," considering the fact that electricity is cheaper than fuel. He added: "The conditions are excellent."

Filizzola said: "The implementation of the trolley system is included in the program of the City Hall administration. These are the first contacts designed to implement this service in the near future."

Peru

Peasants Killed by Shining Path in Huancavelica

PA0611043991 Paris AFP in Spanish 2344 GMT
5 Nov 91

[Text] Lima, 5 Nov (AFP)—Police reported 5 November that at least 37 peasants, nine children among them, were murdered by the Maoist Shining Path in a remote community in southeastern Peru.

The massacre occurred 2 November in Santo Tomas De Pata in the Andean Huancavelica Department, approximately 480 km from the capital.

Five survivors, with gunshot wounds, arrived in Ayacucho after a two-day walk and reported the attack carried out by approximately 200 rebels against their community.

This is the second multiple murder reported in Peru in less than 48 hours since 16 persons were shot dead on 3 November by a terrorist commando in a slum in the middle of Lima.

The 37 murders took place during an unequal clash that took place after the peasants rejected the rebels' threats. The Shining Path rebels entered the town carrying automatic rifles and sticks of dynamite and accused the peasants of forming "peasant patrols" to defend themselves from terrorist attacks.

According to the survivors, the community leaders did not heed the rebels' demands to dissolve the civilian self-defense groups.

One of the wounded told the police that "the peasants' response enraged the rebels, who then started throwing explosives and firing at men, women, and children while the peasants defended themselves with machetes, sticks, and stones."

This is the second time Santo Tomas De Pata has been attacked by Shining Path rebels. One year ago, in November 1990, 13 peasants were murdered for opposing that group.

A police source said that, after the murder, Shining Path members set houses on fire, looted stores, stole cattle, and fled to the Andean highlands.

A Senate commission studying terrorist violence reported 5 November that, since the Shining Path started subversive violence in Peru in May 1980, 21,946 persons died as of last October.

In the month of October alone, 422 persons died. This increases the number of deaths due to terrorist violence reported this year to 2,683. During the 15 months of President Alberto Fujimori's government, there have been 4,183 deaths attributed to terrorist violence. The commission explains that this is a worrisome number if you consider the fact that, during Alan Garcia's government (1985-1990), 9,660 persons were killed.

New Group Claims Credit for Lima Killings

PA0511175091 Madrid EFE in Spanish 1633 GMT
5 Nov 91

[Text] Lima, 5 Nov (EFE)—It was announced on 5 November that a new paramilitary group calling itself Peru's Antiterrorist Command which is presumably made up of members of the police force, has claimed credit for killing 17 people in Lima on 3 November.

The group, which claims to be headed by a police major, stated in a communique released to several Lima newspapers that "the Interior Ministry is not fighting terrorism," and that the group will therefore take care of "exterminating that social blight." The communique added that "all terrorists and their families will be eliminated."

The press also published an alleged preliminary police report confirming that the assassins used 9mm Uzi submachineguns, with which they fired on their victims. They also used handguns, which were used for a final shot to the head. All the weapons were equipped with silencers.

Police General Jose Figueroa described the multiple homicide as "an unusual criminal action."

It was confirmed that the vehicles used for the crime, two all-terrain vans with police headlights, were stolen some days ago from a Foreign Ministry official and from Deputy Interior Minister David Mejia, respectively.

The newspaper EXPRESO, citing police and military sources, maintained that the use of silencers in the killing leads one to suspect that the killers were members of a paramilitary group. EXPRESO said, however, that participation of the Maoist Shining Path cannot be ruled out since some of the characteristics of the crime, such as the presence of a female leader, are also typical of that group.

The morning paper revealed that most of the victims, including a 9-year-old boy, apparently participated in a march to protest the political violence that is afflicting their native town in Ayacucho Department, the cradle of the Shining Path.

It was also revealed that Filomeno Leon, who organized the social event in which the victims died, was previously a Shining Path sympathizer when he lived in Ayacucho. He fled to Lima after he apparently reported several of the subversive group's activists.

Army General Sinesio Jarama (r), an expert in counter-insurgency warfare, said today that "the Barrios Altos massacre," as it is being called by the media, "represents a milestone in the evolution of political violence in Peru." He said: "We are probably entering a new phase in the Shining Path's struggle or a dirty antisubversive war."

The massacre occurred around midnight on 3 November, at a humble cottage located in an old estate at the so-called Barrios Altos of Lima, barely 25 meters from a police post and approximately 400 meters from the Congress palace.

The Senate decided on 4 November to urgently summon the defense and interior ministers, Generals Jorge Torres and Victor Malca, respectively, so that they can present a detailed report on what has occurred.

The crime, which shook and horrified Peruvians, is the worst massacre registered in the capital since the bloody aftermath of three riots organized by imprisoned Shining Path activists; those riots in 1986 resulted in the death of about 250 rebels.

Ever since political violence broke out in Peru 11 years ago, 24,000 persons have died and approximately \$20

million in economic losses were reported as a result of sabotage, according to the estimates by a Senate commission.

Terrorist Grenades Explode at Government Palace

PA0511145091 Paris AFP in Spanish 1421 GMT
5 Nov 91

[Text] Lima, 5 Nov (AFP)—Police sources reported a grenade attack on Government Palace in Lima by a subversive group at dawn on 5 November, leaving two security guards and a pedestrian wounded.

The grenades, hurled by terrorists from a pickup truck at a distance of 50 meters, exploded in the gardens at the back of the building, which are part of the presidential residence. The explosion wounded a security police sergeant and a subordinate, according to the sources.

A woman passing by at the time of the attack, 0545, was wounded by the shock wave and debris.

The attack was preceded by a wave of terrorist acts—the responsibility for which was claimed by the MRTA (Tupac Amaru Revolutionary Movement)—against approximately 20 banks and government offices, creating a state of upheaval in the capital.

Security Increased

PA0611021491 Lima Radio Programas del Peru
Network in Spanish 1800 GMT 5 Nov 91

[Text] Three persons were seriously injured as a result of a subversive attack near the Government Palace in the vicinity of Polvos Azules in downtown Lima this morning.

Security Police First Sergeant Camilo Soto Cisneros and Second Sergeant Agustin Sanchez Amado, who were injured, were taken to the Central Hospital. Carmen Carmon, the third injured person, was taken to the Rimac Hospital.

The National Police has redoubled security measures in the vicinity of the palace, for fear of new attacks.